

WAUKESHA COUNTY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

SHARON LYNNE WILSON CENTER FOR THE ARTS



For the Year Ending December 31, 2005

Waukesha, Wisconsin

Waukesha County Executive

Daniel P. Vrakas

(Terms Expire April 2007)

Board of Supervisors

(Terms Expire April 2008)

James T. Dwyer.....Chairperson
Patricia A. Haukohl.....First Vice-Chairperson
Kenneth C. Herro Second Vice-Chairperson

James R. Behrend
Donald M. Broesch
Genia C. Bruce
Thomas B. Bullermann
Kathleen M. Cummings
Peter L. Gundrum
Keith Hammitt
Keith P. Harenda
Robert B. Hutton
Pauline T. Jaske
James Jeskewitz
Andrew J. Kallin
Walter L. Kolb
Bill Kramer
Joe C. Marchese
Pamela Meyer

William A. Mitchell
Bonnie J. Morris
Jeffrey A. Morris
Karl L. Nilson
Duane E. Paulson
Ted Rolfs
Fritz Ruf
Thomas J. Schellinger
Rodell L. Singert
Rick Stevens
Vera Stroud
David W. Swan
Robert G. Thelen II
Jean Tortomasi
Sandra A. Wolff
Peter M. Wolff

Cover photo by: Fue Yang
Senior Information Systems Professional
Information Technology Division
Department of Administration

About the cover: The performing arts montage of the Sharon Lynne Wilson Center for the Arts (upper half) in the City of Brookfield, and the Waukesha Civic Theatre (lower half) in the City of Waukesha, represents two of over 50 non-profit art organizations in Waukesha County.

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
COUNTY OF WAUKESHA, WISCONSIN
FOR THE YEAR ENDED
DECEMBER 31, 2005**

**PREPARED BY:
DEPARTMENT OF ADMINISTRATION
ACCOUNTING DIVISION/BUSINESS DIVISION**

WAUKESHA COUNTY WISCONSIN

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WAUKESHA COUNTY WISCONSIN

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Waukesha C O U N T Y

DEPARTMENT OF ADMINISTRATION

June 15, 2006

The Honorable Chairperson of the County Board and
Members of the County Board of Supervisors
County of Waukesha
Waukesha, Wisconsin

Ladies and Gentlemen:

We are pleased to submit the comprehensive annual financial report (CAFR) of the County of Waukesha, Wisconsin for the fiscal year ended December 31, 2005. Waukesha County management is responsible for all information presented in the Comprehensive Annual Financial Report and to the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

The CAFR represents the culmination of all budgeting and accounting activities engaged in by management during the year, covering all funds of the County, its component unit and its financial transactions. It is organized into three sections: Introductory, financial, and statistical.

- The *introductory section* includes this transmittal letter, the County's organizational chart and a list of principal officials.
- The *financial section* includes the independent auditors' report, management's discussion and analysis (MD&A), the audited basic financial statements, disclosure notes, required supplementary information, and supporting statements and schedules necessary to fairly present the financial position and the results of operations of the County in conformity with generally accepted accounting principles. The MD&A is prepared by management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it.
- The *statistical section* includes selected financial and demographic information, typically presented on a multi-year basis.

County policy, in accordance with state and federal requirements, is to provide for an annual audit of the financial records of the government by a competent certified public accountant. In addition to meeting the requirements set forth above, the audit was also designed to meet the requirements of the federal Single Audit Act of 1984 and related U.S. Office of Management and Budget Circular A-133. The independent auditors' report on the basic financial statements is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in a separately issued single audit report.

PROFILE OF THE GOVERNMENT

Waukesha County was incorporated in 1846 under the General Laws of the State of Wisconsin. Since 1991, the County has operated under a County Executive form of government. The County Executive is responsible for the administrative functions of county government. A Board of Supervisors is the governing body of the County and is responsible for the legislative control of the County. The County provides a full

range of services which include justice and public safety; health and human services; environment, parks and education; public works; and general government services.

The County is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either is able to impose its will on the organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burden on, the primary government. Based on these criteria, the County has included the Waukesha County Housing Authority, a legally separate organization, as a discretely presented component unit within its reporting entity. The nature of the Housing Authority's activities is discussed in the notes to the financial statements.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and the State Single Audit Guidelines issued by the Wisconsin Department of Administration. Information related to the single audit, including the schedule of expenditures of federal and state awards, findings and recommendations, the independent auditors' reports on internal controls and compliance with applicable laws and regulations, is available as a separate document.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

Waukesha County is located in southeastern Wisconsin, directly west of Milwaukee County and 100 miles northwest of Chicago. The County has the second highest equalized property tax base and per capita income and is the third most populous county in the State. The County covers an area of 576 square miles and consists of 8 cities, 18 villages and 12 towns. The County's 2005 estimated population is 377,208.

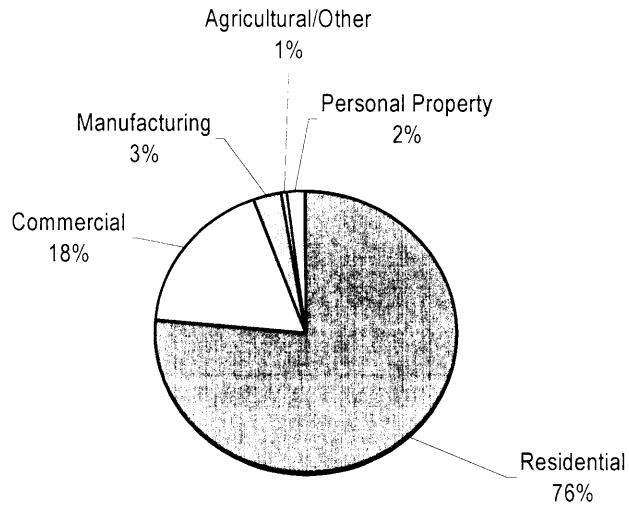
Several economic indicators for the County have improved steadily and serve as a strong diverse base suggesting why Moody's Investors Service and Fitch, Inc. have confidence in the County to issue the highest rating of Aaa/AAA respectively on the County's long-term debt.

Over the past five years, the County equalized property value grew 54%. Annual increases are shown in the table below.

<u>Year</u>	<u>Equalized Value (including TID's)</u>	<u>% Change</u>
2005	\$ 45,451,031,200	11.0%
2004	40,939,573,700	9.3%
2003	37,450,170,400	8.5%
2002	34,518,445,200	8.5%
2001	31,816,827,400	8.1%
2000	29,441,736,300	

As the graph on the following page shows, most property categories grew in value over the past five years. Residential and commercial posted the biggest gains, with increases of \$13 billion and \$2.8 billion respectively. Annual average employment within the County is shown on the second graph.

WAUKESHA COUNTY, WISCONSIN
Equalized Value by Classification
(Includes Tax Incremental District Value)

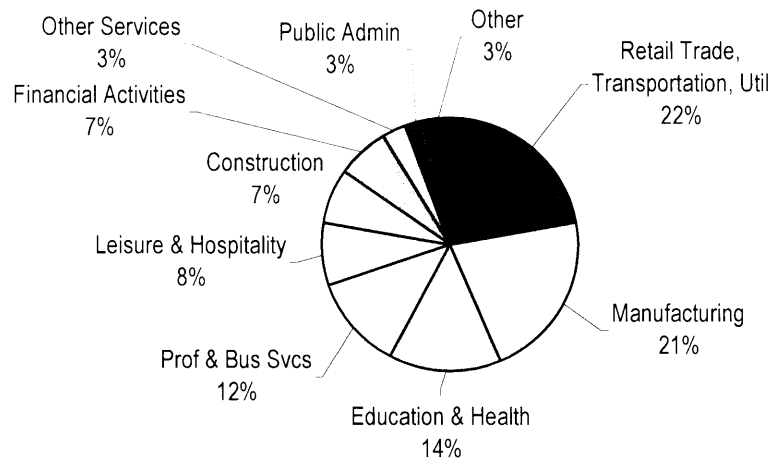


2005
Mix of Equalized Value by Class of Property
(Millions of Dollars)

<u>Real Estate</u>	<u>2005</u>	<u>2000</u>	<u>% Change</u>
Residential	34,624	21,623	60.1%
Commercial	8,355	5,535	50.9%
Manufacturing	1,342	1,119	19.9%
Agricultural/Other	231	295	-21.7%
Total Real Estate	44,552	28,572	55.9%
Personal Property	899	870	3.3%
Grand Total	45,451	29,442	54.4%

Source: Wisconsin Department of Revenue

**WAUKESHA COUNTY, WISCONSIN
Employment Diversification**



**2004
Number of Employees in Selected Categories**

	2004 (1) (NAICS)
Retail Trade, Transportation, Utilities	50,728
Manufacturing	47,917
Education & Health	32,422
Professional & Business Services	26,998
Leisure & Hospitality	18,259
Construction	16,125
Financial Activities	14,845
Other Services	7,156
Public Administration	6,379
Other	6,033
TOTAL	226,862

(1) The 2005 information is not yet available.

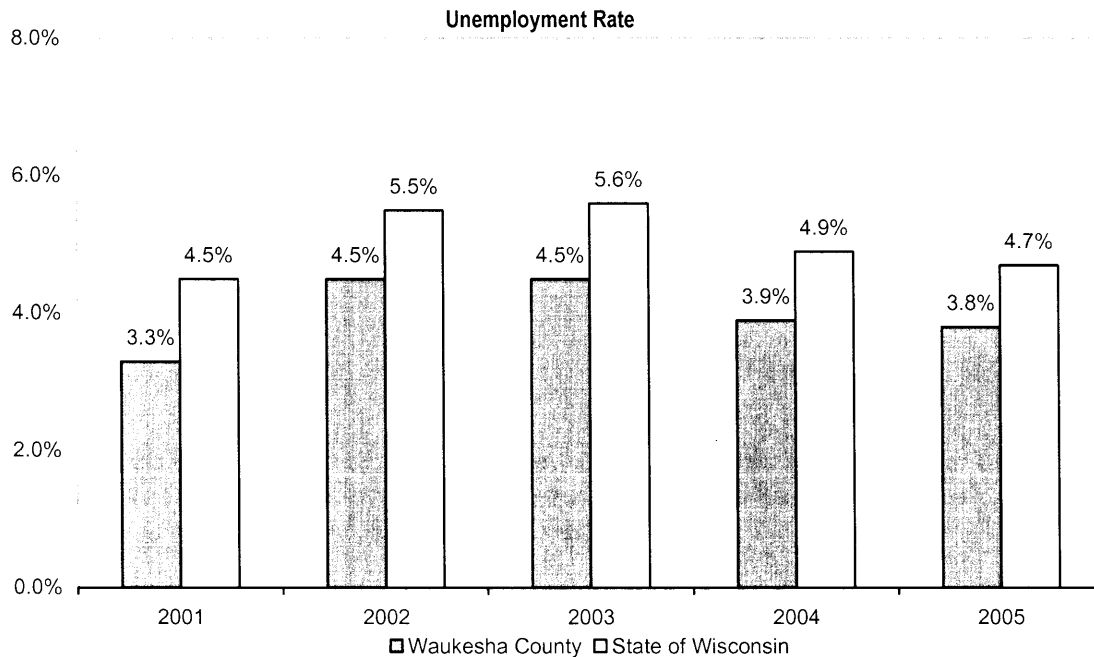
Source: Wisconsin Department of Industry, Labor and Human Relations, Bureau of Labor Market Information.

Residential property accounts for over 75% of the County's total tax base, so the value of residential building permits has been a good indicator of future year tax base increases. In 2005, residential permit values were down from the prior year.

Waukesha County Residential Permits		
<u>Year</u>	<u>Value in Thousands</u>	<u>Number</u>
2005*	\$ 503,777	1,507
2004	512,984	1,895
2003	471,050	1,924
2002	438,360	1,871
2001	429,469	1,823

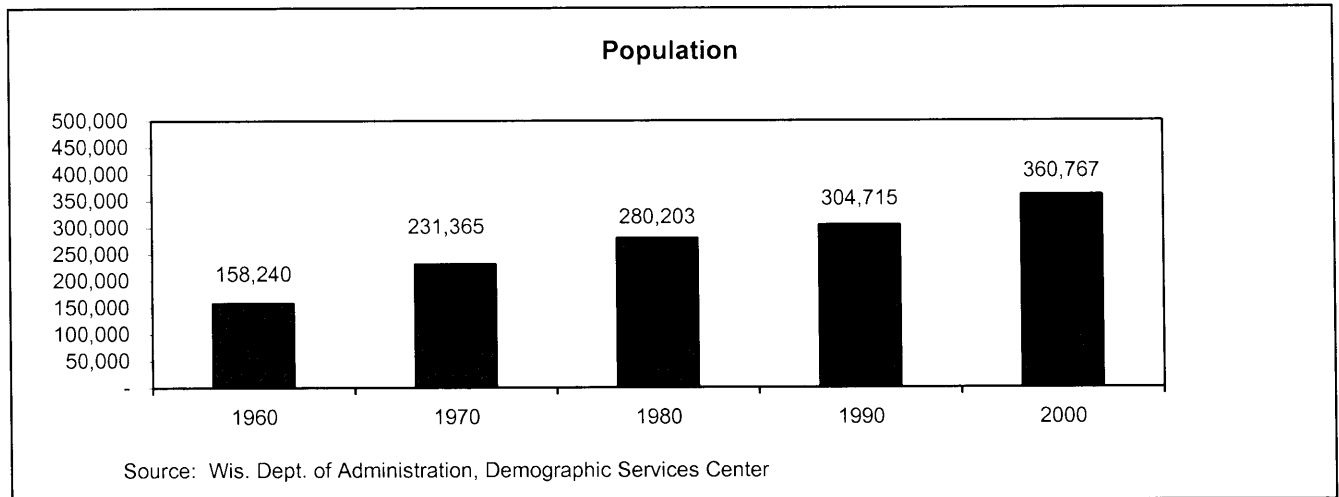
Source: U.S. Department. of Commerce
*Preliminary

As the chart below shows, the unemployment rate over the past few years has declined. The County has also maintained a low rate consistently below the state average.



Source: Wis. Dept. of Industry, Labor & Human Relations

Population has continued to increase, as the following chart indicates. The 2005 estimated population of 377,208 is an increase of 5% from the 2000 census and a 1% increase from 2004.

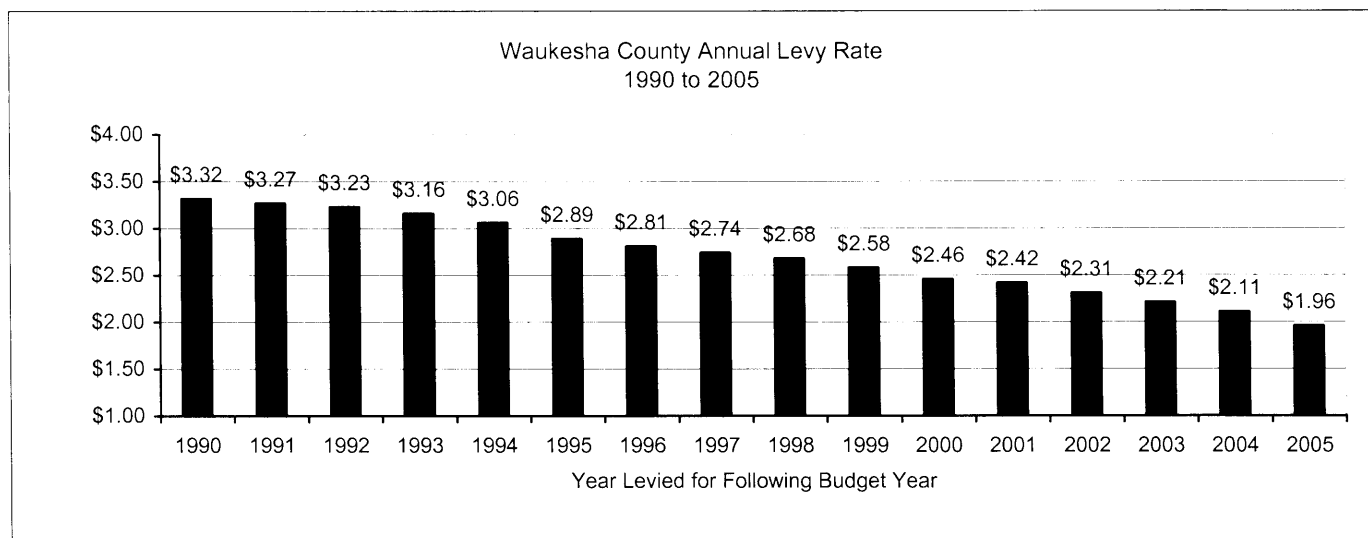


Property Tax Levy Rate Limits/ Revenue Flexibility

In 1993 the State Legislature imposed a tax levy rate limit on Wisconsin counties. There are separate rate limits for the operating levy and the debt service levy. The baseline for the limits is the actual 1992 tax rate adopted for the 1993 budget. While the County qualifies for exemptions, both rates are well below the limits without considering exemptions as the following table illustrates.

	Allowable Maximum	2006 Budget	Available to Maximum Limit
<u>Operating Levy Rate Calculation</u>			
Equalized value of the County exclusive of			
TID value increments	\$44,614,092,450	\$44,614,092,450	\$44,614,092,450
Operating Levy	124,097,890	75,854,386	48,243,504
Operating Levy Rate per \$1,000	\$2.78	\$1.70	\$1.08
<u>Debt Levy Rate Calculation</u>			
Equalized value of the County exclusive of			
TID value increments	\$44,614,092,450	\$44,614,092,450	\$44,614,092,450
Debt levy without allowable adjustment	19,900,607	11,755,914	8,144,693
Adjustments to allowable debt levy*	<u>11,755,914</u>	<u>0</u>	<u>11,755,914</u>
	\$31,656,521	\$11,755,914	\$19,900,607
Debt Levy Rate per \$1,000	\$0.71	\$0.26	\$0.45
*Adjustments are for prior debt issues approved by three-fourths vote of the members-elected as defined Wisconsin State Statutes, s. 59.001(2m) State. 78.045(1)(f).			

Both managed budget growth and an expanding tax base resulted in a reduced county tax levy rate for the sixteenth year in a row in the 2005 levy for 2006 budget purposes, providing the County with significant revenue flexibility below the rate limit.



The County also has available an unlevied 0.5% local option sales tax, with an estimated value of \$32 million annually.

Major Initiatives for the Year

Major initiatives for 2005 included the following:

A new Department of Emergency Preparedness was created, combining several existing County programs and their employees that deal with emergency planning and response.

The Justice Facility expansion project, which includes a new 278-bed jail, neared completion, and the facility opened in October, 2005. In an effort to slow the growth of the jail population, the County is actively seeking new methods to help reduce inmate recidivism through the Criminal Justice Collaborating Council, a committee established with the involvement from key stakeholders to provide a better understanding of criminal justice problems facing our community.

The County continued its commitment towards acquiring unique natural areas and open spaces. Four properties, for a total \$1,255,000, were purchased in 2005.

For the Future

These are the priority initiatives highlighted in the 2006 budget:

1. Examine potential cost reductions and operating efficiencies that could occur by substituting some or all of the 18 county-owned motor vehicle fuel dispensing sites with private fueling (gas stations) options.
2. Complete a full energy analysis for park buildings to reduce utility usage and costs.
3. Explore data sharing and information technology partnership opportunities and ideas with municipal governments to increase infrastructure cost savings.

4. Establish a methodology for performance-based outcomes for internal and external human service contracted programs.

There are four major areas that are considered budget drivers in 2006. These areas include the Waukesha County Jail addition, revenue freezes or reductions for mandated services, utility and fuel cost increases, and rising healthcare costs.

Financial Information

Management of the County is responsible for establishing and maintaining a system of internal controls designed to ensure that the assets of the County are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The system of internal controls is designed to provide reasonable but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgeting Controls

The County maintains budgetary controls, with the objective of ensuring compliance with legal provisions as embodied in the annual appropriations budget, which is adopted by the County's Board of Supervisors and approved by the County Executive. Activities of the General, Special Revenue, Debt Service, Capital Projects, Enterprise and Internal Service funds are included in the annual appropriation budget. Budgetary control is maintained by a formal appropriation and encumbrance system. Expenditures cannot legally exceed appropriations at the agency level, pursuant to s65.90, Wisconsin State Statutes. Proprietary fund budget controls are maintained at the agency/fund level. However, the County has chosen a more restrictive control within agency budgets in the governmental (general and special revenue) funds. The annual budget approved by the County Board is by agency appropriation unit in each fund. An appropriation unit is a group of account classes within an agency. Purchase orders and/or payment vouchers which would exceed the appropriation unit are not released until additional appropriations are available. As demonstrated by the statements included in the financial section of this report, the government continues to meet its responsibility for sound financial management.

Pension Plans

All permanent employees expected to work over 600 hours a year are eligible to participate in the Wisconsin Retirement System and are required to contribute to the plan. However, the County has chosen to make the employee portion of the contribution after six months of employment, in addition to contributing the remaining amounts necessary to pay the projected cost of future benefits. The total required contribution for the year ended December 31, 2005 was \$7.3 million.

Employees who retire at or after age 65, at or after 62 if the person has 30 years of creditable service, or at or after age 55 for protective occupation employees, are entitled to receive a full retirement benefit, which is calculated as a percentage of final average earnings for each year of creditable service. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefit.

Cash Management

Cash temporarily idle during the year was invested in collateralized demand deposits, certificates of deposit, U.S. government and agency securities, collateralized repurchase agreements, government and agency securities Aaa rated money market funds, and the State of Wisconsin Local Government Investment Pool. On December 31, 2005 the County had \$128.7 million of investments. The average yield on all investments was 3.24%.

The primary objectives of the Waukesha County investment policy are to preserve capital in the overall portfolio, remain sufficiently liquid to meet disbursement requirements, and to realize the maximum return consistent with portfolio safety and liquidity needs. The County's policy is more restrictive than the applicable State Statutes in that it limits participation in investment pools to 10% of total pool assets, and prohibits investments in corporate bonds, foreign securities and the use of leveraged securities.

AWARDS AND ACKNOWLEDGEMENTS

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its comprehensive annual financial reports for the fiscal year ended December 31, 2004. This was the nineteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

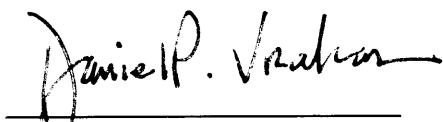
In addition, the County also received the GFOA's Award for Distinguished Budget Presentation for nineteen of the past twenty fiscal years beginning 1987 through 2006 (the 1996 Budget was not submitted). In order to qualify for the Distinguished Budget Presentation Award, the County's budget document was judged to be proficient in several categories including policy documentation, financial planning, organization and communication.

Acknowledgements

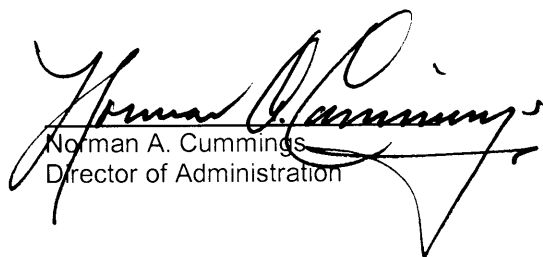
The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the Department of Administration's Accounting, Business, Budget, and Administrative Division's staff. We would like to express our appreciation to all members of our staff, including Accounting Services Manager, Lawrence Dahl; Principal Financial Projects Analyst, Cindy Behrens; Principal Financial Projects Analyst, Robert Ries; Senior Financial Analyst, Paul Berthold; Budget Management Specialist, Linda Witkowski; Administrative Services Coordinator, Linda Gebhard; and Administrative Assistant, Susan Scholl, who assisted and contributed to the preparation of this report.

Appreciation is also expressed for the excellent assistance received from our independent auditors, Virchow, Krause & Company LLP. We would also like to thank the County Board and Finance Committee Chairpersons, the County Board of Supervisors, and the Finance Committee for their interest and support in planning and conducting financial operations of the County in a responsible and progressive manner.

Respectfully submitted,



Daniel P. Vrakas
County Executive



Norman A. Cummings
Director of Administration

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

Waukesha County,
Wisconsin

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Carla E. Perry

President

Jeffrey R. Emer

Executive Director

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WAUKESHA COUNTY
Department Heads

Airport	Keith Markano
Administration	Norman A. Cummings
Chief Judge	Kathryn Foster
* Clerk of Courts	Carolyn T. Evenson
Corporation Counsel	Thomas P. Farley
* County Board Chairperson	James T. Dwyer
* County Clerk	Kathy Nickolaus
* County Executive	Daniel P. Vrakas
* District Attorney	Paul E. Bucher
Federated Library	Thomas J. Hennen, Jr.
Health & Human Services	Peter W. Schuler
Medical Examiner	Lynda M. Biedrzycki
Parks & Land Use	Dale R. Shaver
Public Works	Richard A. Bolte
* Register of Deeds	Michael J. Hasslinger
Senior Services	Cathy A. Bellovary
* Sheriff	Dan Trawicki
* Treasurer	Pamela F. Reeves
University of Wisconsin-Extension	Marcia L. Jante
Veteran Services	John L. Margowski
* Elected Position	

**OFFICIALS OF WAUKESHA COUNTY
COUNTY BOARD OF SUPERVISORS
BOARD YEAR #160 (2005)
(Term Expires April, 2006)**

Chairperson	James T. Dwyer
First Vice Chairperson	Richard L. Manke
Second Vice Chairperson	Duane Stamsta

ELECTED

EXECUTIVE COMMITTEE

James T. Dwyer, Chairperson	William A. Mitchell
Patricia A. Haukohl	Duane E. Paulson
Walter L. Kolb	Duane Stamsta
Richard L. Manke	

APPOINTED

FINANCE COMMITTEE

Patricia A. Haukohl, Chairperson	Kenneth C. Herro
James R. Behrend	Joe C. Marchese
Donald M. Broesch	Bonnie J. Morris
Genia C. Bruce	

HEALTH AND HUMAN SERVICES

Duane Stamsta, Chairperson	Bill Kramer
Robert Hutton	Barbara Roncke
James Jeskewitz	Sandra A. Wolff
Andrew J. Kallin	

PERSONNEL COMMITTEE

Duane E. Paulson, Chairperson	Bonnie J. Morris
Genia C. Bruce	Jeff Morris
Thomas Bullermann	Robert G. Thelen II
Robert Hutton	

JUDICIARY AND LAW ENFORCEMENT COMMITTEE

William A. Mitchell, Chairperson
Kathleen M. Cummings
Keith P. Harenda
Mareth K. Kipp

Carl H. Seitz
David W. Swan
Jean Tortomasi

LAND USE, PARKS, AND ENVIRONMENT COMMITTEE

Walter L. Kolb, Chairperson
Kathleen M. Cummings
Pauline T. Jaske
Scott J. Klein

Bill Kramer
Daniel Pavelko
Vera Stroud

PUBLIC WORKS COMMITTEE

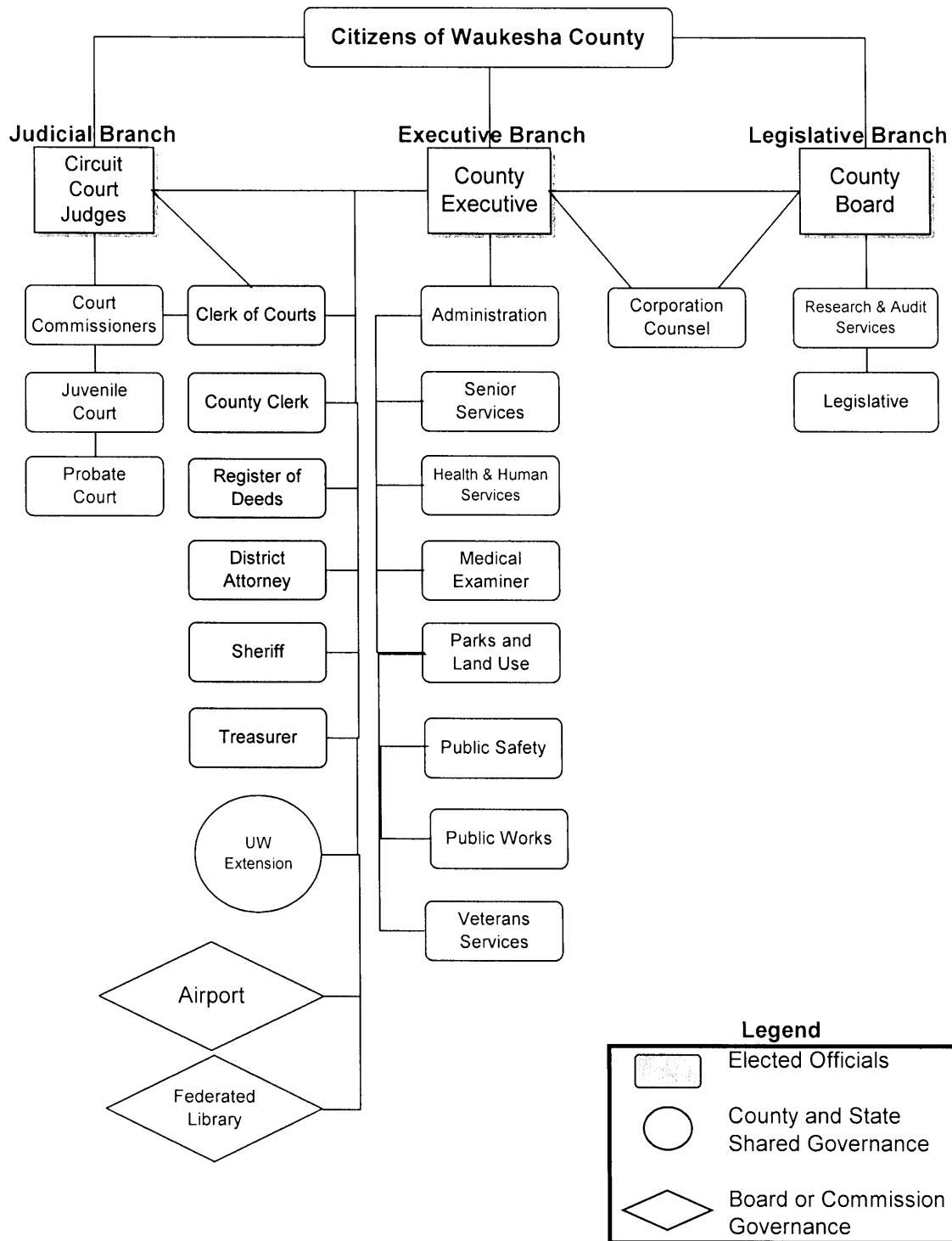
Richard L. Manke, Chairperson
James R. Behrend
Peter Gundrum
James Jeskewitz

Karl Nilson
Rodell L. Singert
David W. Swan

(Term Expires January, 2006)

Clerk of Courts	Carolyn T. Evenson
County Clerk	Kathy Nickolaus
County Treasurer	Pamela F. Reeves
District Attorney	Paul E. Bucher
Sheriff	Dan Trawicki
Register of Deeds	Michael J. Hasslinger

Waukesha County Organizational Chart





INDEPENDENT AUDITORS' REPORT

To the Honorable Board of County Supervisors
Waukesha County, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Waukesha County, Wisconsin, as of and for the year ended December 31, 2005, which collectively comprise the county's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the county's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Waukesha County, Wisconsin, as of December 31, 2005, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we will issue a report on our consideration of Waukesha County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

To the Honorable Board of County Supervisors

The management's discussion and analysis and budgetary comparison on pages 17 to 27 and 77 to 83 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Waukesha County's basic financial statements. The combining and individual fund financial statements and schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements for the year ended December 31, 2005 taken as a whole.

The "Letter of Transmittal" and "Statistical Section" listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of Waukesha County, Wisconsin. The information has not been audited by us and, accordingly, we express no opinion on such information.

Virchow, Krause & Company, LLP

Madison, Wisconsin
April 17, 2006

Management's Discussion and Analysis

This section of Waukesha County's comprehensive annual financial report presents a discussion and analysis of the County's financial performance during the fiscal year ended December 31, 2005. Please read it in conjunction with the transmittal letter at the front of this report and the County's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

The assets of the County exceeded the liabilities at the close of 2005 by \$362.0 million (*net assets*). Of this amount, \$100.0 million (*unrestricted net assets*) may be used to meet ongoing obligations to citizens and creditors, \$12.7 million is restricted for specific purposes (*restricted net assets*), and \$249.3 million is invested in capital assets, net of related debt.

The government's total net assets increased by \$13.5 million. Governmental activities increased the County's net assets by \$15.4 million. This increase was partially offset by a decrease of \$1.9 million in business type activities net assets. The decrease in business-type activities is mainly due to the reclassification of the exposition center from an enterprise fund to a general government operation.

On December 31, 2005, the County's governmental funds reported combined fund balances of \$85.1 million, an increase of \$800,000 from 2004. Approximately \$31.1 million, or 37% of the combined fund balance, is unreserved and undesignated.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements are designed to provide readers with a broad overview of the County's financial statements, in a manner similar to a private-sector business.

- The *statement of net assets* presents information of all County assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.
- The *statement of activities* presents information showing how net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include justice and law enforcement; health and human services; environment, parks, and education; public works, and general government. The business type activities of the County include radio services, golf courses, ice arenas, exposition center, materials recovery facility, and airport.

The government-wide financial statements include not only Waukesha County itself (known as the *primary government*) but also a legally separate Housing Authority for which Waukesha County is accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 28-29 of this report.

Fund financial statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a county's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By so doing, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains 23 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General, Human Services, Long Term Care, and Debt Service funds, all of which are considered to be major funds. Data from the other 19 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic *governmental fund* financial statements can be found on pages 30-33 of this report.

- *Proprietary funds* are maintained two ways. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the airport, radio services, golf courses, ice arenas, and materials recovery facility. The County also used an enterprise fund to account for the exposition center until 2005, when the exposition center became part of the general fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for vehicle/equipment replacement, central fleet maintenance, records management, communications, risk management/self-insurance, collections, and end user technology. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The Airport is the only operation considered to be a major fund of the County. The County's seven internal service funds are combined into a single aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The *proprietary funds* financial statements can be found on pages 34-37 of this report.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 38-76 of this report.

Required Supplementary Information is presented for the budgetary schedules of the general fund and major special revenue funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. For the County, assets exceed liabilities by \$362.0 million at the close of the most recent fiscal year.

Waukesha County

Net Assets

(in \$000's)

	Governmental activities		Business-type activities		Total	
	2005	2004	2005	2004	2005	2004
Current and other assets	\$ 227,177	\$ 231,288	\$ 14,994	\$ 13,823	\$ 242,171	\$ 245,111
Capital assets	291,455	267,793	35,022	38,036	326,477	305,829
Total assets	518,632	499,081	50,016	51,859	568,648	550,940
Current and other liabilities	123,316	125,796	1,372	1,361	124,688	127,157
Long-term liabilities	81,991	75,237	-	-	81,991	75,237
Total liabilities	205,307	201,033	1,372	1,361	206,679	202,394
Net assets:						
Invested in capital assets, net of related debt	214,309	197,291	35,022	38,036	249,331	235,327
Restricted net assets	12,653	10,865	-	-	12,653	10,865
Unrestricted net assets	86,363	89,893	13,622	12,462	99,985	102,355
Total net assets	\$ 313,325	\$ 298,049	\$ 48,644	\$ 50,498	\$ 361,969	\$ 348,547

The largest portion of the County's net assets (69%) reflects its investment in capital assets (e.g. land and easements, structures and improvements, infrastructure, and equipment, less any related debt used to acquire those assets that is still outstanding). The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Unrestricted net assets comprise 28% of the County's net assets. These assets may be used to meet the County's ongoing obligations to citizens and creditors.

The remaining balance of the County's net assets, 3%, represents resources that are subject to external restrictions (grant or trust terms, laws or regulations of other governments, etc) on how they may be used.

At the end of the current fiscal year, the County reported positive balances in all three categories of net assets, both for the County as a whole, as well as for its separate governmental activities. The same situation held true for the prior fiscal year.

As shown on the following table, the County's net asset increased by \$13.5 million during the current year. This results from total 2005 revenues of \$213.0 million and expenses of \$199.5 million. Overall revenues were up \$11.7 million from the prior year, while expenses increased by \$7.0 million.

Waukesha County
Changes in Net Assets
(in \$000's)

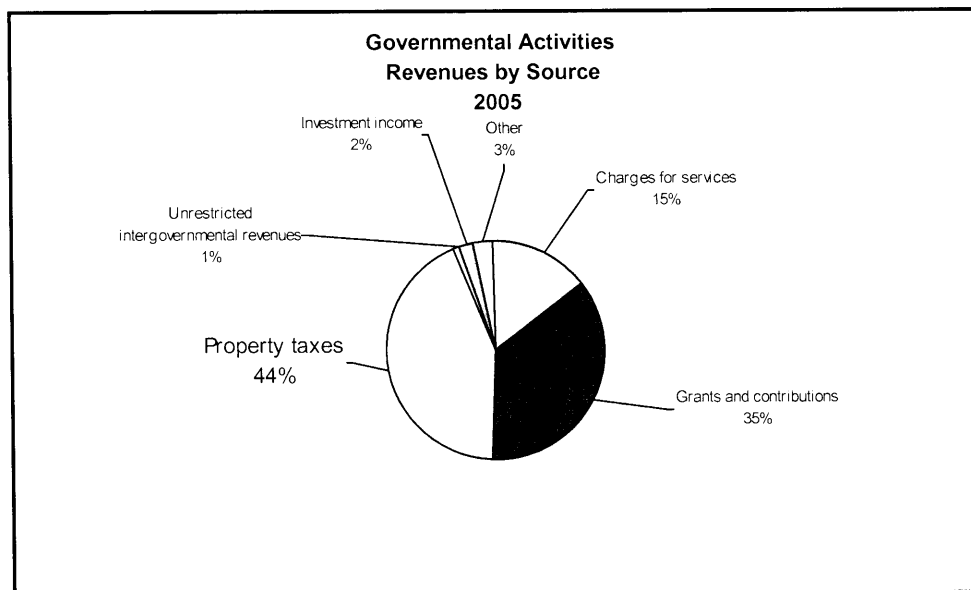
	Governmental Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
Revenues:						
Program revenues:						
Charges for services	\$ 30,702	\$ 28,556	\$ 6,432	\$ 6,766	\$ 37,134	\$ 35,322
Operating grants and contributions	68,050	66,631	1,603	1,073	69,653	67,704
Capital grants and contributions	3,586	2,397	434	-	4,020	2,397
General revenues:						
Property taxes	89,357	86,529	201	361	89,558	86,890
Intergovernmental revenues	1,859	2,050	-	-	1,859	2,050
Investment earnings	4,152	4,066	204	366	4,356	4,432
Miscellaneous	5,975	2,176	106	27	6,081	2,203
Gains (losses) on disposal/sale of capital assets	338	301	-	-	338	301
Total revenues	204,019	192,706	8,980	8,593	212,999	201,299
Expenses:						
Justice and law enforcement	43,594	39,049	-	-	43,594	39,049
Health and human services	87,664	85,807	-	-	87,664	85,807
Environment, parks and education	18,152	15,262	-	-	18,152	15,262
Public works	25,328	22,405	-	-	25,328	22,405
General government	12,908	17,733	-	-	12,908	17,733
Interest expense	3,096	3,107	-	-	3,096	3,107
Radio services	-	-	762	721	762	721
Golf courses	-	-	3,149	3,157	3,149	3,157
Ice arenas	-	-	1,133	1,067	1,133	1,067
Exposition center	-	-	-	795	-	795
Materials recovery facility	-	-	1,854	1,685	1,854	1,685
Airport	-	-	1,855	1,662	1,855	1,662
Total Expenses	190,742	183,363	8,753	9,087	199,495	192,450
Increase (decrease) in net assets before transfers	13,277	9,343	227	(494)	13,504	8,849
Transfers	2,081	350	(2,081)	(350)	-	-
Increase (decrease) in net assets	15,358	9,693	(1,854)	(844)	13,504	8,849
Net assets beginning of year as restated	297,967	288,356	50,498	51,342	348,465	339,698
Net assets end of year	\$ 313,325	\$ 298,049	\$ 48,644	\$ 50,498	\$ 361,969	\$ 348,547

Governmental Activities

Governmental activities increased the County's net assets by \$13.3 million before transfers.

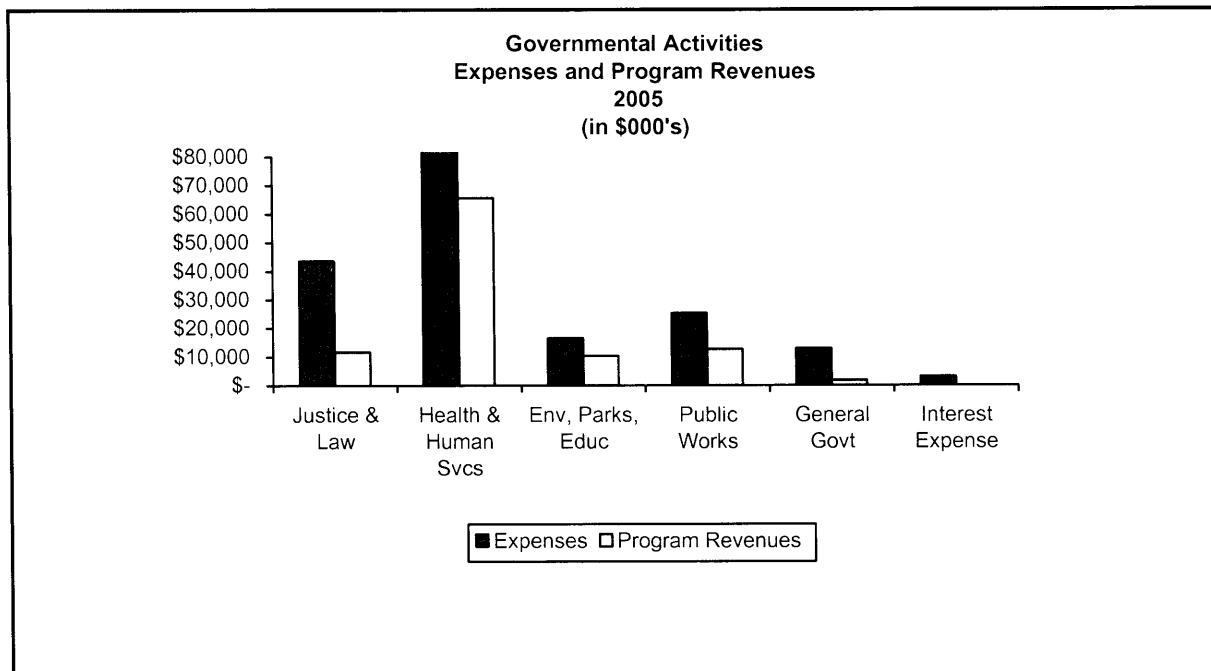
Revenues for the County's governmental activities totaled \$204.0 million. While this was an increase of \$11.3 million from 2004, there was no change in the percentage distribution of revenues by source. Property taxes in both years accounted for 44% of the total revenue, followed by operating grants and contributions. Key elements of revenue increases from 2004 are as follows:

- Miscellaneous revenues increased by \$3.8 million from 2004. Most of this is due to the County's decision to decrease its health insurance reserves by \$3.1 million, which increased revenues by the same amount.
- Property taxes increased \$2.8 million, due in part to the opening of the new jail in October, 2005 which required \$1.2 million of additional tax levy funding in Sheriff and Public Works.



The overall increase in expenses for governmental activities was \$7.3 million, or 4%. Justice and law enforcement showed the largest increase. This was the first year for the newly formed Department of Emergency Preparedness, which combined operations previously reflected in general government and public works. The new jail also opened in October, 2005.

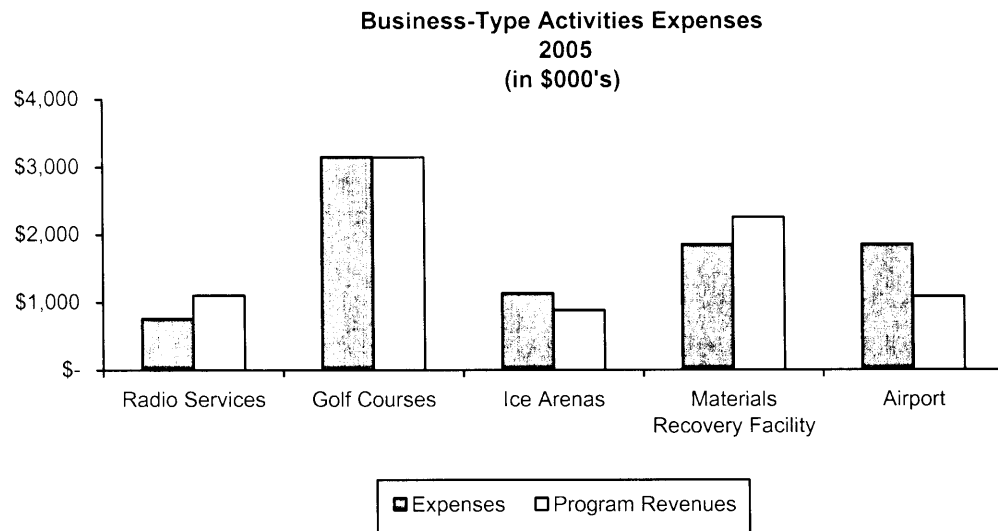
Governmental activities expenses exceeded program revenue by \$88.4 million. The following graph illustrates the expenses and program revenues for each area. When general revenues (which include such items as property tax, investment earnings, and grants and contributions not restricted to specific programs) are included, total revenues exceed expenses by \$13.3 million prior to transfers in of \$2.1 million, mainly for the reclassification of the exposition center from an enterprise to a general governmental operation.



Business-Type Activities

Business-type activities (before transfers) increased the County's net assets by a modest \$227,000. Radio Services, the Golf Courses, and the Materials Recovery Facility all made a profit. The Airport and Ice Arenas had losses. Including transfers, business type activities showed an overall net decrease in net assets of \$1.9 million. Key factors in these results include the following:

- The Exposition Center was changed from an enterprise fund operation to a general fund operation, resulting in a transfer out of \$2.0 million in net assets. The shift was made to recognize the Expo Center more as a community development asset than a self-sustaining business operation. The facility's revenues cover most direct operating expenses, but are not sufficient to cover depreciation and indirect costs.
- Operating grants and contracts increased \$530,000 from the prior year, due mainly to a one-time Homeland Security in Radio Services grant for \$395,400 to upgrade the existing countywide public safety mobile data system infrastructure.
- Capital grants and contributions of \$434,000 were also received in 2005. In Radio Services, a one time payment of \$136,400 for infrastructure costs was received from a community which joined the trunked radio system in 2005. The Airport had capital contributions of \$312,000.
- A transfer from the Golf Course fund to governmental funds for parkland acquisitions decreased net assets by \$75,000.



FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The general government functions are contained in the General, Special Revenue, Debt Service, and Capital Project Funds. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At December 31, 2005, the County's governmental funds reported combined fund balances of \$85.1 million, an increase of \$0.8 million in comparison with the prior year. As the table below indicates, there was a shift of over \$3 million between reserved and designated from 2004 to 2005. Reserved for sick leave payout and reserved for subsequent year's expenditures are now shown as designated since these are government imposed restrictions. Also, there is a newly designated amount of \$2.6 million in the general fund for health insurance reserves.

By fund type, the General fund decreased \$491,000. This results from planned use of fund balance for capital and debt retirement of \$3.5 million offset by overall favorable revenue/expenditure variances from budget. Special Revenue funds increased \$102,000, most of which is reserved or designated. The Debt Service and Capital projects fund balances increased by \$15,000 and \$1.2 million respectively; the entire balance in both of these fund types is reserved for existing capital projects and related debt retirement purposes.

Waukesha County
Changes in Fund Balance
(in \$000's)

	2005	2004	Change
Reserved:			
General	\$ 11,163	\$ 16,200	\$ (5,037)
Non-Major Special Revenue	4,455	5,393	(938)
Debt Service	3,018	3,003	15
Capital Projects	10,828	8,855	1,973
Subtotal Reserved	<u>\$ 29,464</u>	<u>\$ 33,451</u>	<u>\$ (3,987)</u>
Designated			
General	\$ 10,335	\$ 7,190	\$ 3,145
Human Services	386	493	(107)
Long Term Care	200	224	(24)
Non-Major Special Revenue	3,406	2,325	1,081
Capital Projects	10,139	10,933	(794)
Subtotal Designated	<u>\$ 24,466</u>	<u>\$ 21,165</u>	<u>\$ 3,301</u>
Undesignated			
General	\$ 28,361	\$ 26,960	\$ 1,401
Human Services	622	760	(138)
Long Term Care	1,818	1,804	14
Non-Major Special Revenue	374	160	214
Subtotal Undesignated	<u>\$ 31,175</u>	<u>\$ 29,684</u>	<u>\$ 1,491</u>
Total			
General	\$ 49,859	\$ 50,350	\$ (491)
Human Services	1,008	1,253	(245)
Long Term Care	2,018	2,028	(10)
Non-Major Special Revenue	8,235	7,878	357
Debt Service	3,018	3,003	15
Capital Projects	20,967	19,788	1,179
Total Fund Balance	<u><u>\$ 85,105</u></u>	<u><u>\$ 84,300</u></u>	<u><u>\$ 805</u></u>

Working Capital.

Approximately 37% of the combined fund balance, \$31.1 million, constitutes unreserved and undesignated fund balance, which is available to meet the County's current and future needs. The undesignated portion will provide working capital for about eight weeks of operations based on the 2006 adopted budget.

The County has a policy that the ratio of undesignated general and special revenue fund balance to total operating expenditures shall be maintained above 11%. As of January 1, 2006 it is at 15.9%. This level is very near the County's managed plan reduction goal of 15%. County policy limits use of fund balance to one-time or short term costs which in most cases reduce future operating budget costs.

The schedules which follow present a summary of general, special revenue, capital, and debt service fund revenues and expenditures for the fiscal year ended December 31, 2005 and the amount and percentage of increases and decreases in relation to the prior year.

Waukesha County
Revenues by Source
Governmental Funds
(in \$000's)

	2005	Percent of	Increase (Decrease)	
			from 2004	
	<u>Amount</u>	<u>Total</u>	<u>Amount</u>	<u>Percent</u>
Taxes	\$87,143	42%	\$3,800	5%
Intergovernmental revenues	76,558	37%	3,807	5%
Fines and licenses	3,631	2%	(182)	-5%
Charges for services	18,579	9%	982	6%
Interdepartmental revenues	3,687	2%	65	2%
Investment earnings	3,718	2%	115	3%
Miscellaneous revenues	<u>13,476</u>	6%	<u>3,512</u>	35%
Total Revenues	\$206,792	100%	\$12,099	6%

General governmental revenues increased \$12.1 million in 2005. Key factors concerning the changes in revenues were previously addressed in the discussion of the County's governmental activities section.

Waukesha County
Expenditures by Function
Governmental Funds
(in \$000's)

	2005	Percent of	Increase (Decrease)	
			from 2004	
	<u>Amount</u>	<u>Total</u>	<u>Amount</u>	<u>Percent</u>
Justice and Law Enforcement	\$44,281	20%	\$4,112	10%
Health and Human Services	87,717	40%	2,242	3%
Environment, Parks & Education	18,174	8%	1,057	6%
Public Works	18,614	8%	1,564	9%
General Government	11,994	5%	(1,687)	-12%
Capital Project Funds	27,978	13%	(12,838)	-31%
Debt Service:				
Principal Retirement	8,715	4%	(3,485)	-29%
Interest and Fiscal Charges	<u>3,002</u>	2%	<u>(40)</u>	-1%
Total Expenditures	\$220,475	100%	(\$9,075)	-4%

Governmental funds' expenditures decreased \$9.1 million in 2005. Capital project funds showed the largest decrease. The Justice Facility capital project neared completion; 2005 expenditures of \$10.7 million were \$6.7 million less than the year before. There was also a large highway project (County Trunk Highway L in the city of Muskego) which was winding down in 2005, with \$0.7 million in expenditures compared to \$6.1 million the prior year.

Debt service expenditures decreased \$3.5 million from 2004. The early retirement of the County's 1997 debt issue in 2004 accounts for \$2.8 million of the decrease.

Proprietary funds. Waukesha County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Total growth in net assets for the Radio Services and Materials Recovery Facility Funds was almost \$0.5 million each, while the Airport fund decreased about \$0.5

million in net assets. Factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget resulted in a \$3.4 million increase in appropriations. Carryovers and open purchase orders accounted for half (\$1.7 million) of the increase. This amount was budgeted from available fund balance. The remaining \$1.7 million increase is mainly attributable to grants, including:

- \$800,000 Homeland Security Grant for the department of Emergency Preparedness
- \$291,000 Comprehensive Planning Grant in the Departments of Parks and Land Use and UW-Extension.
- \$231,000 Sheriff Department grants and seized fund allocations
- \$73,000 Public Health grants
- Non-grant appropriation of \$320,000 in general government to fund employee retirement sick leave payouts. This was funded from fund balance designated for this purpose.

Capital Assets

The County's investment in capital assets for its governmental and business-type activities at December 31, 2005, amounted to \$326.5 million (net of accumulated depreciation), an increase of \$20.6 million over 2004. This investment in capital assets includes land and easements, infrastructure, structures and improvements, equipment, and construction in progress.

The County's infrastructure assets are recorded at estimated historical cost in the government-wide financial statements. The County has elected to use the depreciation method of reporting capital assets.

Waukesha County's Capital Assets

(net of depreciation)

(in 000's)

	Governmental Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
Governmental Activities						
Land	\$ 34,050	\$ 32,975	\$ 10,289	\$ 10,289	\$ 44,339	\$ 43,264
Buildings	68,096	68,285	10,316	12,370	78,412	80,655
Land improvements	5,322	5,370	10,610	11,938	15,932	17,308
Machinery and equipment	9,428	8,728	3,238	3,419	12,666	12,147
Vehicles	5,097	4,647	-	-	5,097	4,647
Infrastructure	90,739	88,242	-	-	90,739	88,242
Construction in Progress	78,723	59,546	569	21	79,292	59,567
Total	\$ 291,455	\$ 267,793	\$ 35,022	\$ 38,036	\$ 326,477	\$ 305,829

Further details of the County's capital assets can be found in Note 8 of the notes to the financial statements, page 59.

Long Term Debt

At December 31, 2005, the County had \$77,150,000 of general obligation promissory notes outstanding. The County maintains an Aaa rating from Moody's Investors Service and AAA from Fitch Investors Service on general obligation note issues. Under current state statutes, the County's general obligation note issuances are subject to a legal limitation based on five percent of the equalized value of taxable property in the County. As of December 31, 2005 the County's total amount applicable to debt margin (outstanding notes less debt service fund balance) is \$74.1 million, which was well below the legal limit of \$2.2 billion. The net debt per capita equaled \$205 at year-end.

During the year, the County issued \$14.4 million of general obligation promissory notes, dated May 1, 2005, to finance part of the cost of capital improvements within the County.

Further details of the County's long-term debt activity can be found in Note 10 of the notes to the financial statements, page 63.

Economic Factors and the 2006 Budget and Rates

Enrolled 2005 Wisconsin Act 25 (2005-2007 State Budget) establishes local levy limits for the 2006 and 2007 budgets. The law prohibits a county from increasing its total levy by more than the percentage change in the county's January 1 equalized value growth due to new construction, less improvements removed, between the previous year and the current year. Debt service is exempt from the levy limit.

The 2006 budget meets the tax levy limit as adopted in the Wisconsin 2005-2007 State Budget, and the levy limit as submitted by the State Legislature prior to the Governor's partial veto modification.

Full year operation of the new jail addition will increase 2006 levy funding by \$1.4 million. The expansion eliminates inmate overcrowding at peak times by adding 278 beds. It also increases staffing over a 2-year period by 37.5 positions between the Sheriff's and the Public Works departments.

State mandated services continue to be a significant burden for the County, as are utility and fuel cost increases and rising healthcare costs

All of these factors were considered in preparing Waukesha County's budget for the 2006 fiscal year.

Request for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Department of Administration, Accounting Services Division, 1320 Pewaukee Road, Waukesha, WI 53188.

Questions concerning any of the information provided in this report regarding the discretely presented component, Waukesha County Housing Authority, or requests for additional information should be addressed to the Waukesha County Housing Authority, 120 Corrina Blvd, Waukesha, WI 53186.

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GOVERNMENT-WIDE STATEMENTS

WAUKESHA COUNTY, WISCONSIN

STATEMENT OF NET ASSETS
December 31, 2005

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and investments	\$ 99,538,822	\$ 17,011,867	\$ 116,550,689	\$ 533,470
Receivables:				
Property taxes - delinquent	5,046,837	-	5,046,837	-
Property taxes - levied for subsequent years budget	89,956,405	201,453	90,157,858	-
Taxes levied for other governments	8,525,704	-	8,525,704	-
Accrued interest	847,611	-	847,611	3,535
Accounts	2,043,123	165,067	2,208,190	10,718
Due from other governments	8,402,322	18,615	8,420,937	-
Internal balances	398,958	(398,958)	-	-
Prepaid items	70,841	136,305	207,146	1,698
Inventories	445,437	181,225	626,662	-
Unamortized bond issuance expense	112,905	-	112,905	-
Advances to/from other funds	4,593,322	(4,593,322)	-	-
Restricted cash and investments	390,097	-	390,097	33,868
Deposit in WMMIC	2,459,264	-	2,459,264	-
Long term receivable	4,345,011	2,271,326	6,616,337	-
Capital assets:				
Land	34,049,706	10,288,747	44,338,453	-
Construction in progress	78,722,835	569,415	79,292,250	-
Buildings	99,718,759	16,450,584	116,169,343	-
Improvements other than buildings	11,378,029	17,996,244	29,374,273	-
Machinery and equipment	27,859,450	7,584,879	35,444,329	-
Vehicles	9,896,739	-	9,896,739	-
Infrastructure	173,739,617	-	173,739,617	-
Accumulated depreciation	(143,910,206)	(17,867,573)	(161,777,779)	-
Total assets	\$ 518,631,588	\$ 50,015,874	\$ 568,647,462	\$ 583,289
LIABILITIES				
Vouchers payable	\$ 11,251,543	\$ 300,247	\$ 11,551,790	\$ 1,493
Accrued compensation	5,252,177	52,584	5,304,761	11,996
Other liabilities	1,543,866	71,553	1,615,419	33,908
Due to other governments	8,774,966	-	8,774,966	53,643
Claims payable - current	4,309,332	-	4,309,332	-
Bond interest payable	571,323	-	571,323	-
Deferred property tax revenue	90,534,864	201,453	90,736,317	-
Other unearned revenue	1,077,939	746,286	1,824,225	-
Long-Term Liabilities:				
Compensated absences - current	4,196,753	-	4,196,753	-
Claims payable - non current	535,355	-	535,355	-
Bonds payable - current	9,625,000	-	9,625,000	-
Bonds payable - non current	67,525,000	-	67,525,000	-
Unamortized bond issuance discount	(44,979)	-	(44,979)	-
Unamortized bond issuance premium	153,476	-	153,476	-
Total liabilities	\$ 205,306,615	\$ 1,372,123	\$ 206,678,738	\$ 101,040
NET ASSETS				
Invested in capital assets, net of related debt	\$ 214,309,336	\$ 35,022,296	\$ 249,331,632	\$ -
Restricted net assets for:				
Park development	164,669	-	164,669	-
Land information systems	1,251,444	-	1,251,444	-
Debt service	2,446,445	-	2,446,445	-
Community development block grant	5,981,398	-	5,981,398	-
Federated library	349,531	-	349,531	-
Deposit in WMMIC	2,459,264	-	2,459,264	-
Unrestricted net assets	86,362,886	13,621,455	99,984,341	482,249
Total net assets	\$ 313,324,973	\$ 48,643,751	\$ 361,968,724	\$ 482,249

See notes to financial statements.

WAUKESHA COUNTY, WISCONSIN

STATEMENT OF ACTIVITIES

For The Year Ended December 31, 2005

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Unit
					Governmental Activities	Business Type Activities	Total
PRIMARY GOVERNMENT							
GOVERNMENTAL ACTIVITIES							
Justice and public safety	\$ 43,593,777	\$ 9,087,478	\$ 2,615,653	\$ -	\$ (31,890,646)	\$ -	\$ (31,890,646)
Health and human services	87,663,924	8,528,030	57,179,817	-	(21,956,077)	-	(21,956,077)
Environment, parks and education	18,151,819	8,024,456	2,334,438	-	(7,792,925)	-	(7,792,925)
Public works	25,327,577	4,126,423	5,442,705	3,168,989	(12,589,460)	-	(12,589,460)
General government	12,907,820	935,504	477,224	416,613	(11,078,479)	-	(11,078,479)
Interest expense	3,095,861	-	-	-	(3,095,861)	-	(3,095,861)
Total Governmental Activities	190,740,778	30,701,891	68,049,837	3,585,602	(88,403,448)	-	(88,403,448)
BUSINESS TYPE ACTIVITIES							
Radio services	762,127	573,784	395,404	136,372	-	343,433	343,433
Golf courses	3,148,772	3,143,569	-	-	-	(5,203)	(5,203)
Ice arenas	1,132,778	896,627	-	(14,203)	-	(250,354)	(250,354)
Materials recovery facility	1,854,316	1,182,572	1,071,968	-	-	400,224	400,224
Airport	1,854,729	635,278	135,835	312,281	-	(771,335)	(771,335)
Total Business Type Activities	8,752,722	6,431,830	1,603,207	434,450	-	(283,235)	(283,235)
Total Primary Government	\$ 199,493,500	\$ 37,133,721	\$ 69,653,044	\$ 4,020,052	\$ (88,403,448)	\$ (283,235)	\$ (88,686,683)
COMPONENT UNIT							
Housing authority	\$ 2,349,696	\$ -	\$ 2,276,586	\$ -	\$ -	\$ -	\$ (73,110)
GENERAL REVENUES							
Property taxes					89,356,561	201,453	89,558,014
Grants and contributions, not restricted to specific programs					1,858,821	-	1,858,821
Investment earnings					4,152,399	203,436	4,355,835
Miscellaneous					5,975,479	105,661	6,081,140
Gains on disposal/sale of capital assets					337,544	-	337,544
Total General Revenues					101,680,804	510,550	102,191,354
Transfers					2,081,339	(2,081,339)	-
Change in Net Assets					15,358,695	(1,854,024)	13,504,671
Net Assets - Beginning of Year as restated					297,966,278	50,497,775	348,464,053
Net Assets - End of Year					\$ 313,324,973	\$ 48,643,751	\$ 361,968,724

See notes to financial statements.

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND - The General Fund is the primary operating fund of the County. It is used to account for resources traditionally associated with governments, except those required to be accounted for in another fund.

HUMAN SERVICES FUND - To account for funds provided for income maintenance, counseling, alcohol and drug abuse programs, children's center services, services to the developmentally disabled, chronically mentally ill, elderly and administrative support services.

LONG TERM CARE FUND - To account for federal and state funds that provide services to eligible persons who are elderly, developmentally disabled, physically disabled or have a long-term mental illness.

DEBT SERVICE FUND - The debt service fund is used to account for the accumulation of resources for the payment of general long-term debt principal, interest and service costs.

WAUKESHA COUNTY, WISCONSIN

COMBINING BALANCE SHEET - ALL GOVERNMENTAL FUNDS
December 31, 2005

	General Fund	Human Services Fund	Long Term Care Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 46,303,175	\$ 1,550,083	\$ 1,260,633	\$ 3,017,768	\$ 32,916,886	\$ 85,048,545
Receivables:						
Property taxes - delinquent	5,046,837	-	-	-	-	5,046,837
Property taxes levied for ensuing year's budget	52,769,951	12,418,704	1,752,870	11,755,914	10,989,130	89,686,569
Taxes levied for other governments	8,525,704	-	-	-	-	8,525,704
Accrued interest	847,611	-	-	-	-	847,611
Accounts	983,519	289,333	163,669	-	241,595	1,678,116
Due from other governments	1,117,288	1,753,384	3,428,407	-	2,038,306	8,337,385
Due from other funds	43,948	-	-	-	-	43,948
Inventories	-	-	-	-	87,439	87,439
Prepaid items	-	626	-	-	200	826
Advances to other funds	6,650,533	-	-	-	-	6,650,533
Long term receivable	-	-	-	-	4,345,011	4,345,011
Total assets	\$ 122,288,566	\$ 16,012,130	\$ 6,605,579	\$ 14,773,682	\$ 50,618,567	\$ 210,298,524
LIABILITIES						
Vouchers payable	\$ 2,619,991	\$ 1,748,014	\$ 2,745,904	\$ -	\$ 3,260,095	\$ 10,374,004
Accrued compensation	5,092,254	8,481	-	-	12,067	5,112,802
Other liabilities	387,921	763,682	88,423	-	195,572	1,435,598
Due to other governments	8,673,779	65,019	-	-	36,168	8,774,966
Due to other funds	-	-	-	-	43,948	43,948
Claims payable	1,966,366	-	-	-	-	1,966,366
Deferred property tax revenue	53,348,410	12,418,704	1,752,870	11,755,914	10,989,130	90,265,028
Other deferred revenue	341,218	-	-	-	5,081,733	5,422,951
Advances from other funds	-	-	-	-	1,797,685	1,797,685
Total liabilities	\$ 72,429,939	\$ 15,003,900	\$ 4,587,197	\$ 11,755,914	\$ 21,416,398	\$ 125,193,348
FUND BALANCES						
Reserved for non-current interfunds	\$ 6,694,481	\$ -	\$ -	\$ -	\$ -	\$ 6,694,481
Reserved for delinquent property taxes	4,468,377	-	-	-	-	4,468,377
Reserved for inventories	-	-	-	-	87,439	87,439
Reserved for prepaid items	-	626	-	-	200	826
Reserved for debt service	-	-	-	3,017,768	-	3,017,768
Reserved for capital projects	-	-	-	-	10,828,483	10,828,483
Reserved for park purposes	-	-	-	-	4,366,904	4,366,904
Unreserved:						
Designated for capital projects, reported in capital projects funds	-	-	-	-	10,138,578	10,138,578
Designated for subsequent year's expenditures, reported in general fund	7,334,800	-	-	-	-	7,334,800
Designated for subsequent year's expenditures, reported in special revenue funds	-	385,952	200,000	-	3,406,338	3,992,290
Designated for sick leave payout	400,000	-	-	-	-	400,000
Designated for insurance reserves	2,600,000	-	-	-	-	2,600,000
Undesignated, reported in general fund	28,360,969	-	-	-	-	28,360,969
Undesignated, reported in special revenue funds	-	621,652	1,818,382	-	374,227	2,814,261
Total fund balances	\$ 49,858,627	\$ 1,008,230	\$ 2,018,382	\$ 3,017,768	\$ 29,202,169	\$ 85,105,176
Total liabilities and fund balances	\$ 122,288,566	\$ 16,012,130	\$ 6,605,579	\$ 14,773,682	\$ 50,618,567	\$ 210,298,524

See notes to financial statements.

WAUKESHA COUNTY, WISCONSIN

RECONCILIATION OF THE COMBINING BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
December 31, 2005

Total Fund Balances - Governmental Funds	\$ 85,105,176
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Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds (excludes internal service funds).	277,695,610
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(81,913,669)
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Internal service funds are used by management to charge the costs of various services to individual funds and functional categories. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	28,092,844
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Other long term assets are not available to pay for current period expenditures and, therefore are deferred in the funds.	4,345,012
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Total Net Assets - Governmental Activities	<u>\$ 313,324,973</u>
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See notes to financial statements.

WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUNDS
For The Year Ended December 31, 2005

	General Fund	Human Services Fund	Long Term Care Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
General intergovernmental assistance	\$ 1,803,600	\$ -	\$ -	\$ -	\$ 4,007,986	\$ 5,811,586
Intergovernmental contracts/grants	5,681,664	21,607,493	28,180,390	-	15,276,218	70,745,765
Taxes	50,481,033	12,085,273	1,782,051	10,936,251	11,858,845	87,143,453
Fines and licenses	3,129,437	501,878	-	-	-	3,631,315
Charges for services	13,471,024	1,721,440	501,234	-	2,885,502	18,579,200
Interdepartmental revenues	3,320,247	44,176	-	-	322,433	3,686,856
Investment earnings	2,857,505	-	-	295,076	565,235	3,717,816
Miscellaneous revenues	6,467,807	1,935,243	2,440,314	-	2,632,835	13,476,199
Total revenues	87,212,317	37,895,503	32,903,989	11,231,327	37,549,054	206,792,190
EXPENDITURES						
Current:						
Justice and public safety	44,280,802	-	-	-	-	44,280,802
Health and human services	5,237,573	38,050,104	32,754,622	-	11,675,157	87,717,456
Environment, parks and education	13,400,141	-	-	-	4,773,732	18,173,873
Public works	9,039,057	-	-	-	9,575,489	18,614,546
General government	11,993,665	-	-	-	-	11,993,665
Capital outlay:						
Environment, parks and education	-	-	-	-	2,210,663	2,210,663
Public works	-	-	-	-	24,242,138	24,242,138
General government	-	-	-	-	1,525,180	1,525,180
Debt service:						
Principal retirement	-	-	-	8,715,000	-	8,715,000
Interest and fiscal charges	-	-	-	3,002,020	-	3,002,020
Total expenditures	83,951,238	38,050,104	32,754,622	11,717,020	54,002,359	220,475,343
Excess of Revenues Over (Under) Expenditures	3,261,079	(154,601)	149,367	(485,693)	(16,453,305)	(13,683,153)
OTHER FINANCING SOURCES (USES)						
General obligation notes issued	-	-	-	-	14,400,000	14,400,000
Transfers in	165,000	-	-	500,000	5,272,615	5,937,615
Transfers out	(3,917,420)	(89,600)	(159,470)	-	(1,600,000)	(5,766,490)
Total other financing sources (uses)	(3,752,420)	(89,600)	(159,470)	500,000	18,072,615	14,571,125
Net change in fund balances	(491,341)	(244,201)	(10,103)	14,307	1,619,310	887,972
Fund Balances - January 1 as restated	50,349,968	1,252,431	2,028,485	3,003,461	27,582,859	84,217,204
Fund Balances - December 31	\$ 49,858,627	\$ 1,008,230	\$ 2,018,382	\$ 3,017,768	\$ 29,202,169	\$ 85,105,176

See notes to financial statements.

WAUKESHA COUNTY, WISCONSIN

RECONCILIATION OF THE COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
December 31, 2005

Net changes in fund balances - total governmental funds	\$ 887,972
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset purchases exceeded depreciation in the current period.	23,281,041
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long term liabilities in the Statement of Net Assets.	8,715,000
The issuance of long term debt is an other financing source in the governmental funds, but the issuance increases long term liabilities in the Statement of Net Assets.	(14,400,000)
Some expenses reported in the Statement of Activities, such as compensated balances and interest payable, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(607,591)
Internal service funds are used by management to charge the costs of various services to individual funds and functional categories.	(1,573,003)
Governmental funds report economic loan repayments as revenues and the issuance of new loans as expenditures. These activities are reported as changes in loans receivable in the government-wide statements.	(944,724)
Change in Net Assets of Governmental Activities	<u>\$ 15,358,695</u>
See notes to financial statements.	

MAJOR PROPRIETARY FUNDS

AIRPORT OPERATIONS/DEVELOPMENT FUND - To account for the operation and maintenance of the County airport buildings and runways, located in Waukesha, Wisconsin.

WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF NET ASSETS - ALL PROPRIETARY FUNDS
December 31, 2005

	Business-type Activities - Enterprise Funds			
	Airport Operations/ Development Fund	Other Enterprise Funds	Total	Governmental Activities - Internal Service Funds
ASSETS				
Current assets:				
Cash and investments	\$ 1,949,567	\$ 15,062,300	\$ 17,011,867	\$ 14,490,277
Receivables:				
Property taxes levied for ensuing year's budget	201,453	-	201,453	269,836
Accounts	29,215	135,852	165,067	365,007
Total receivables	230,668	135,852	366,520	634,843
Due from other governments	-	18,615	18,615	64,937
Prepaid items	-	136,305	136,305	70,015
Inventories	-	181,225	181,225	357,998
Total current assets	2,180,235	15,534,297	17,714,532	15,618,070
Noncurrent assets:				
Advances to other funds	-	461,609	461,609	-
Long term receivable	-	2,271,326	2,271,326	-
Restricted cash and investments	-	-	-	390,097
Deposit in WMMIC	-	-	-	2,459,264
Capital assets:				
Land	8,049,032	2,239,715	10,288,747	-
Buildings	6,550,103	9,900,481	16,450,584	4,122,283
Improvements other than buildings	15,056,936	2,939,308	17,996,244	22,089
Machinery and equipment	667,830	6,917,049	7,584,879	11,100,551
Vehicles	-	-	-	9,377,860
Construction in progress	-	569,415	569,415	153,169
Less accumulated depreciation	(8,442,637)	(9,424,936)	(17,867,573)	(11,016,633)
Total capital assets (net of accumulated depreciation)	21,881,264	13,141,032	35,022,296	13,759,319
Total noncurrent assets	21,881,264	15,873,967	37,755,231	16,608,680
Total assets	\$ 24,061,499	\$ 31,408,264	\$ 55,469,763	\$ 32,226,750
LIABILITIES				
Current liabilities:				
Vouchers payable	\$ 22,058	\$ 278,189	\$ 300,247	\$ 877,532
Accrued compensation	9,740	42,844	52,584	139,375
Other liabilities	51,043	20,510	71,553	108,268
Deferred property tax revenue	201,453	-	201,453	269,836
Other deferred revenue	-	746,286	746,286	-
Total current liabilities	284,294	1,087,829	1,372,123	1,395,011
Noncurrent liabilities:				
Advances from other funds	-	5,054,931	5,054,931	259,526
Claims payable	-	-	-	2,878,327
Total noncurrent liabilities	-	5,054,931	5,054,931	3,137,853
Total liabilities	\$ 284,294	\$ 6,142,760	\$ 6,427,054	\$ 4,532,864
NET ASSETS				
Invested in capital assets	21,881,264	13,141,032	35,022,296	13,759,319
Restricted for deposit in WMMIC	-	-	-	2,459,264
Unrestricted	1,895,941	12,124,472	14,020,413	11,475,303
Total net assets	\$ 23,777,205	\$ 25,265,504	\$ 49,042,709	\$ 27,693,886
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			(398,958)	
Net Assets of Business-type Activities			\$ 48,643,751	

See notes to financial statements.

WAUKESHA COUNTY, WISCONSIN

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET ASSETS - ALL PROPRIETARY FUNDS
For The Year Ended December 31, 2005**

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Airport Operations/ Development Fund	Other Enterprise Funds	Total	
OPERATING REVENUES				
Charges for services	\$ 635,278	\$ 5,793,593	\$ 6,428,871	\$ 267,867
Interdepartmental revenues	-	423,363	423,363	10,062,842
Miscellaneous revenues	82,188	26,338	108,526	345,671
Total operating revenues	717,466	6,243,294	6,960,760	10,676,380
OPERATING EXPENSES				
Salaries	157,005	1,457,233	1,614,238	2,392,974
Benefits	62,169	423,769	485,938	923,629
Estimated future claims expense	-	-	-	1,547,390
Operating	301,877	1,329,242	1,631,119	4,855,328
Contracted services	290,183	1,340,018	1,630,201	699,076
Interdepartmental	44,851	1,372,964	1,417,815	405,584
Depreciation	950,385	1,094,420	2,044,805	2,476,448
Total operating expenses	1,806,470	7,017,646	8,824,116	13,300,429
Operating income (loss)	(1,089,004)	(774,352)	(1,863,356)	(2,624,049)
NON-OPERATING REVENUES (EXPENSES):				
General property taxes	201,453	-	201,453	299,836
Intergovernmental contracts/grants	135,835	1,603,744	1,739,579	3,541
Investment earnings	1,552	201,977	203,529	434,583
Interest expense and fiscal charges	-	-	-	(27,278)
Gain (loss) on disposal of capital assets	-	(219,701)	(219,701)	334,731
Total non-operating revenues (expenses)	338,840	1,586,020	1,924,860	1,045,413
Income (loss) before transfers and contributions	(750,164)	811,668	61,504	(1,578,636)
Transfers in	-	68,875	68,875	-
Transfers out	-	(2,150,214)	(2,150,214)	(165,000)
Total transfers	-	(2,081,339)	(2,081,339)	(165,000)
Income (loss) before contributions	(750,164)	(1,269,671)	(2,019,835)	(1,743,636)
Capital contributions	312,280	(14,203)	298,077	38,367
Increase (decrease) in net assets	(437,884)	(1,283,874)	(1,721,758)	(1,705,269)
Net assets - January 1	24,215,089	26,549,378		29,399,155
Net assets - December 31	\$ 23,777,205	\$ 25,265,504		\$ 27,693,886
Adjustment to reflect the consolidation of current year internal service fund activities related to enterprise funds			(132,266)	
Change in net assets of business-type activities			\$ (1,854,024)	

See notes to financial statements.

WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF CASH FLOWS - ALL PROPRIETARY FUNDS
For The Year Ended December 31, 2005

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Airport Operations/ Development Fund	Other Enterprise Funds	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 689,594	\$ 5,896,446	\$ 6,586,040	\$ 859,703
Receipts from interfund services provided	-	423,363	423,363	10,290,584
Payments to suppliers	(588,031)	(2,639,428)	(3,227,459)	(5,912,311)
Payments to employees	(218,699)	(1,885,560)	(2,104,259)	(3,312,278)
Payments for interfund services used	(44,851)	(1,372,964)	(1,417,815)	(405,584)
Total cash flows from operating activities	(161,987)	421,857	259,870	1,520,114
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers to other funds	-	(75,000)	(75,000)	(165,000)
Transfers from other funds	-	68,875	68,875	-
Receipts from intergovernmental contracts/grants	135,835	1,723,104	1,858,939	-
Receipts from general property taxes	201,453	-	201,453	299,836
Total cash flows from non-capital financing activities	337,288	1,716,979	2,054,267	134,836
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets*	(227,718)	(785,940)	(1,013,658)	(3,352,635)
Proceeds from sales of capital assets	-	-	-	546,132
Capital contributions	-	(14,203)	(14,203)	28,952
Long term receivable from municipalities	-	574,627	574,627	-
Principal paid on capital related interfund advance	-	(711,834)	(711,834)	(116,750)
Interest paid on capital related interfund advance	-	-	-	(27,278)
Total cash flows from capital and related financing activities	(227,718)	(937,350)	(1,165,068)	(2,921,579)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	1,552	201,977	203,529	434,583
Total cash flows from investing activities	1,552	201,977	203,529	434,583
Cash and Cash Equivalents, Beginning of Year	2,000,432	13,658,837	15,659,269	15,712,420
Cash and Cash Equivalents, End of Year	\$ 1,949,567	\$ 15,062,300	\$ 17,011,867	\$ 14,880,374
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ (1,089,004)	\$ (774,352)	\$ (1,863,356)	\$ (2,624,049)
Non-operating income	-	-	-	3,541
Depreciation expense	950,385	1,094,420	2,044,805	2,476,448
(Increase) Decrease in accounts receivable	(27,872)	128,683	100,811	(311,535)
(Increase) Decrease in due from other governments	-	346	346	281,901
(Increase) Decrease in prepaid items	-	43,240	43,240	1,225
(Increase) Decrease in inventories	-	42,566	42,566	(58,635)
Increase (Decrease) in advance to other funds	-	-	-	500,000
Increase (Decrease) in vouchers payable	4,029	(27,407)	(23,378)	289,748
Increase (Decrease) in accrued compensation	475	(4,558)	(4,083)	4,325
Increase (Decrease) in other liabilities	-	10,972	10,972	94,363
Increase (Decrease) in due to other governments	-	(30,731)	(30,731)	-
Increase (Decrease) in other deferred revenue	-	(61,322)	(61,322)	-
Increase (Decrease) in claims payable	-	-	-	862,782
Net cash provided by operating activities	\$ (161,987)	\$ 421,857	\$ 259,870	\$ 1,520,114

(CONTINUED)

WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF CASH FLOWS - ALL PROPRIETARY FUNDS
For The Year Ended December 31, 2005

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Airport Operations/ Development Fund	Other Enterprise Funds	Total	
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE COMBINED STATEMENT OF NET ASSETS				
Cash and investments - statement of net assets	\$ 1,949,567	\$ 15,062,300	\$ 17,011,867	\$ 14,490,277
Restricted cash and investments - statement of net assets	-	-	-	390,097
Cash and cash equivalents - end of year	\$ 1,949,567	\$ 15,062,300	\$ 17,011,867	\$ 14,880,374

* There were \$ 312,281 of Enterprise non-cash contributions of capital assets during the year.

* There were \$ 44,542 of Internal Service non-cash contributions of capital assets during the year.

* There was a non-cash transfer of \$2,075,214 of fixed assets from the Enterprise funds to the General fund during the year.

See notes to financial statements.

(CONCLUDED)

NOTES TO BASIC FINANCIAL STATEMENTS

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 1– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Waukesha County, Wisconsin conform to generally accepted accounting principles as applicable to governmental units.

A. Reporting Entity

This report includes all of the funds of Waukesha County. The reporting entity for the County consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents, (2) the primary government is entitled to or has the ability to otherwise access a majority of the economic resources received or held by the separate organization (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to or has the ability to otherwise access, are significant to the primary government. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government.

Included within the reporting entity is the following Discretely Presented Component Unit:

WAUKESHA COUNTY HOUSING AUTHORITY

The government-wide financial statements include the Waukesha County Housing Authority ("Housing Authority") as a component unit. The Housing Authority is a legally separate organization. The county executive appoints the board of the Housing Authority. Wisconsin Statutes provide for circumstances whereby the County can impose their will on the Housing Authority, and also create a potential financial benefit to or burden on the County. See Note 13. As a component unit, the Housing Authority's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended September 30, 2005. Separately issued financial statements of the Waukesha County Housing Authority may be obtained from the Housing Authority's office at 120 Corrina Blvd., Waukesha, Wisconsin, 53186.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 1– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The County does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, net assets/fund equity, revenues, and expenditure/expenses.

Separate financial statements are provided for governmental and proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Funds are organized as major funds or non-major funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the County believes is particularly important to financial statement users may be reported as a major fund.

The County reports the following major governmental and enterprise funds:

Major Governmental Funds

General Fund – accounts for the County's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 1– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Human Services Special Revenue Fund – To account for funds provided for income maintenance, counseling, alcohol and drug abuse programs, children's center services, services to the developmentally disabled, chronically mentally ill, elderly and administrative support services.

Long Term Care Special Revenue Fund – Accounts for federal and state funds that provide services to eligible persons who are elderly, developmentally disabled, physically disabled or have a long-term mental illness.

General Debt Service Fund – accounts for resources accumulated and payments made for principal and interest on long-term debt other than proprietary fund debt.

Major Enterprise Funds

Airport Operations/Development Fund – Accounts for the operation of the County airport buildings and runways.

The County reports the following non-major governmental and enterprise funds:

Special Revenue Funds – used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

- Elderly Nutrition Fund
- Walter Tarmann Fund
- Land Information System Fund
- Child Support Fund
- Community Development Block Grant Fund
- Mental Health Center Fund
- Highway Operations Fund
- Smith Park Fund
- Reuss Trust Fund
- Federated Library Fund

Capital Projects Funds – used to account for financial resources to be used for the acquisition or construction of equipment and/or major capital facilities

1998 through 2006 Capital Projects funds

Enterprise Funds – may be used to report any activity for which a fee is charged to external users for goods or services, and must be used for activities which meet certain debt or cost recovery criteria.

- Radio Services Fund
- Golf Course Fund
- Ice Arena Fund
- Exposition Center Fund
- Materials Recovery Facility Fund

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 1– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

In addition, the County reports the following fund types:

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governmental units, on a cost-reimbursement basis.

Risk Management/Self Insurance Fund
Vehicle/Equipment Replacement Fund
Central Fleet Maintenance Fund
Records Management Fund
Communications Fund
Collections Fund
End User Technology Fund

Agency funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

Dog License Fund	Homemaker Fund
Burial Fund	Sheriff Processing Fee
Unclaimed Property Fund	Main Jail Fund
Flexible Spending Account	Municipal Property Tax Collections
Huber Law Fund	Clerk of Courts Fund
District Attorney NSF Fund	

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide statement of net assets and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

The business-type activities follow all pronouncements of the Governmental Accounting Standards Board, and have elected not to follow Financial Accounting Standards Board pronouncements issued after November 30, 1989.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 1– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FUND FINANCIAL STATEMENTS

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Human service fund, long term care fund, mental health center fund, and certain federally funded grant revenues are considered available if they are collected within 180 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred revenues. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the County is entitled the resources and the amounts are available. Amounts owed to the County, which are not available, are recorded as receivables and deferred revenues. Amounts received prior to the entitlement period are also recorded as deferred revenues.

Revenues susceptible to accrual include general intergovernmental assistance, intergovernmental contracts/grants, interdepartmental revenues, property taxes, miscellaneous taxes, charges for services, and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

The County reports deferred revenues on its governmental funds balance sheet. Deferred revenues arise from taxes levied in the current year that are for subsequent year's operations. For governmental fund financial statements, deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received before the County has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

The enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's proprietary funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 1— SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The enterprise funds follow all pronouncements of the Governmental Accounting Standards Board, and have elected not to follow Financial Accounting Standards Board pronouncements issued after November 30, 1989.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

D. ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

1. Deposits and Investments

For purposes of the statement of cash flows, the County considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

State statutes restrict investment of County funds. Available investments are limited to:

1. Time deposits in any credit union, bank, savings bank or trust company maturing in three years or less.
2. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, or by the University of Wisconsin Hospitals and Clinics Authority.
3. Bonds or securities issued or guaranteed by the federal government.
4. The State of Wisconsin Local Government Investment Pool.
5. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
6. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
7. Repurchase agreements with public depositories, with certain conditions.

The County's adopted investment policy is more restrictive than the state statutes in that it limits participation in investment pools to 10% of total pool assets and prohibits investments in corporate bonds, foreign securities, and the use of leverage. County policy also limits the use of open-ended management investments (mutual funds) to Aaa/AAA rated money market funds.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment earnings. Investment earnings on commingled investments of various County funds is allocated based on average balances, in accordance with adopted policies. A total of \$1,303,899 of investment interest was allocated to other funds in 2005. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 1– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Statutes Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2005, the County's share of the LGIP's assets are reported at fair value. See Note 4 for further information.

2. Receivables

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the County, taxes are collected for and remitted to the state and local governments as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying agency fund balance sheet.

Property tax calendar – 2005 tax roll:

Lien date and levy date	December 2005
Tax bills mailed	December 2005
Payment in full, or	January 31, 2006
First installment due	January 31, 2006
Second installment due	July 31, 2006
Personal property taxes in full	January 31, 2006
Tax sale – 2005 delinquent real estate taxes	October 2008

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net assets. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

In the governmental fund financial statements, advances to other funds are offset equally by a fund balance reserve account, which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

3. Inventories and Prepaid Items

Governmental fund inventories, if material, are recorded at cost based on the average cost method using the consumption method of accounting. Proprietary fund inventories are generally used for operation and maintenance work. They are valued at cost based on the average cost method and charged to operation and maintenance expense when used. Inventory quantities at December 31, 2005 were determined by physical counts.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 1– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. The balance of the county's SIR deposit held by WMMIC is shown as restricted cash and investments.

5. Capital Assets

GOVERNMENT –WIDE STATEMENTS

The County defines capital assets as assets with an initial cost of more than \$5,000 for general capital assets and \$100,000 for infrastructure assets, and an estimated useful life in excess of one year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

Prior to January 2002, infrastructure assets of governmental funds were not capitalized. Upon implementing GASB 34, governmental units are required to account for all capital assets, including infrastructure, in the government-wide statements prospectively from the date of implementation. Retroactive reporting of all major general infrastructure assets is encouraged but not required until January 1, 2006, when GASB 34 requires the County to retroactively report all major general infrastructure assets acquired since January 1, 1980. The County has retroactively reported all network infrastructure acquired by its governmental funds.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No interest expense was capitalized in 2005. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	24-71 Years
Land Improvements	10-39 Years
Machinery and Equipment	3-20 Years
Infrastructure	15-50 Years

FUND FINANCIAL STATEMENTS

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 1– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

6. Other Assets

In governmental funds, debt issuance costs are recognized as expenditures in the current period. For the government-wide and proprietary fund type financial statements, debt issuance costs are deferred and amortized over the term of the debt issue.

7. Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2005 are determined on the basis of current salary rates and include salary related payments.

Amounts accrued in the government-wide statement of net assets are considered due within one year because the county considers the carryover balances to be used before new benefit allocations.

8. Long-Term Obligations/Conduit Debt

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consists primarily of notes and bonds payable, and accrued compensated absences.

Long-term obligations for governmental funds are not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

The County does not engage in conduit debt transactions.

9. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year-end.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 1– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

10. Equity Classifications

GOVERNMENT–WIDE STATEMENTS

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources as they are needed.

FUND STATEMENTS

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved. Unreserved fund balance includes funds set aside by management for specific uses, which are labeled “designated”. The balance of unreserved fund balance is labeled “undesignated”, which indicates it is available for appropriation. Proprietary fund equity is classified the same as in the government-wide statements.

11. Prior Period Information

Prior period information has not been presented in the statements since their inclusion would make the statements unduly complex and difficult to read.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 2– RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET ASSETS

The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation states that “Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.” The details of this are as follows:

Beginning capital assets	\$383,279,282
Beginning accumulated depreciation	(128,864,713)
Current year net asset additions	31,715,279
Current year net depreciation	<u>(8,434,238)</u>
Total	<u>\$277,695,610</u>

Another element of that reconciliation “Long-term liabilities, including bonds and notes payable, are not due and payable in the current period, and therefore are not reported as liabilities in the funds.” All liabilities—both current and long-term—are reported in the statement of net assets. The details of this are as follows

Bonds and notes payable	\$77,150,000
Compensated absences	4,196,753
Accrued interest	571,324
Unamortized debt premium	153,476
Unamortized debt discount and issue costs	<u>(157,884)</u>
Total	<u>\$81,913,669</u>

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains, “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital assets exceed depreciation in the current period.” The details of this are as follows:

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 2– RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONT'D)

Capital outlay per fund financial statements	\$27,977,981
Some capital outlay is recorded as a functional expense	1,021,439
Capital outlay transferred in from the exposition center	2,081,339
Some additions to capital assets are contributed to the county and therefore are not reported as expenditures in the fund financial statements	634,520
Depreciation expense (net of internal service funds)	(6,439,081)
Adjustments to depreciation for exposition center and register of deeds	<u>(1,995,157)</u>
Total	<u><u>\$23,281,041</u></u>

Another element of that reconciliation states, "Some expenses reported in the statement of activities, such as compensated absences and interest payable, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this are as follows:

Compensated absences	401,233
Accrued interest	94,938
Debt issuance costs	<u>111,420</u>
Total	<u><u>\$607,591</u></u>

NOTE 3 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1.

Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds. Accordingly, a budget has been adopted for the general fund and all special revenue, debt service, capital project, enterprise, and internal service funds. These budgets are prepared on a basis consistent with generally accepted accounting principles. Budgets are not formally adopted for agency funds.

Expenditures cannot legally exceed appropriations at the department level, pursuant to s.65.90, Wisconsin State Statutes. However, for the general and special revenue funds, the County has chosen a more restrictive control in the form of appropriation units, defined as groups of account classes within a department, including personnel costs, operating expenses, interdepartmental charges, and capital outlay. For proprietary funds, budgetary control is at the fund level. For capital project funds, budgetary control is at the individual project level.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 3– STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT'D)

State statutes, (s.65.905 (a)), also provide for the County Board to authorize an amendment of the budget by a vote of two-thirds of the entire membership of the Board. The County Board has authorized the Finance Committee, under County Code Section 2-211(c)(3), the following fund transfer authority:

1. A transfer of funds from one appropriation unit to another within the department budget.
2. A transfer of funds from the contingency fund, not to cumulatively exceed 10% of the funds originally appropriated for a department in a fiscal year.

In addition, the statutes allow supplemental budget appropriations to be made from unanticipated revenues received or fund equity, as defined by ordinance and adopted by two-thirds approval of the County Board.

Supplemental appropriations necessary for 2005 were as follows:

	Adopted Budget	Modified Budget*	Increase/Decrease
General	\$ 86,921,457	\$ 88,641,051	\$ 1,719,594
Special Revenue	105,241,094	106,056,419	815,325
Debt Service	12,086,251	12,086,251	--
Capital Projects	27,472,500	27,822,500	350,000
Enterprise	9,490,154	9,490,154	--
Internal Service	13,166,576	14,203,692	1,037,116
Totals	\$ 254,378,032	\$ 258,300,067	\$ 3,922,035

*Excludes carryover project funds from prior years for general (\$1,707,920) special revenue (\$4,691,905), capital projects (\$12,119,467), enterprise (\$1,194,383) and internal service (\$1,471,116).

The adopted budgets for the general, special revenue, debt service and capital project funds are prepared on a basis consistent with generally accepted accounting principles. A comparison of budget and actual is included in the accompanying financial statements for governmental fund types with annual budgets.

The adopted budgets for enterprise and internal service funds are prepared on a basis consistent with generally accepted accounting principles. Both budget and accounting treat depreciation as an expense and for budget purposes capital outlay is a memo entry only.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 3– STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT'D)

Budget and actual comparisons (excluding capital project revenues and expenses) of the County's enterprise and internal service funds for the year ended December 31, 2005 are as follows:

Enterprise Funds	Revenues		Expenses	
	Budget	Actual	Budget	Actual
Radio Services*	\$ 1,101,771	\$ 1,250,619	\$ 1,209,959	\$ 962,411
Golf Courses	3,375,000	3,163,269	3,228,068	3,104,655
Ice Arenas*	1,070,500	907,039	1,073,410	1,031,699
Materials Recovery Facility	1,790,000	2,112,983	1,991,689	1,630,577
Airport*	1,028,785	1,056,306	1,222,762	1,206,461
Internal Service Funds				
Risk Mgmt/Self-Insurance	\$ 1,632,300	\$ 1,439,180	\$ 2,988,830	\$ 2,963,173
Vehicle Equipment Replacement	2,065,800	2,247,576	1,996,751	1,909,869
Central Fleet Maintenance	2,872,210	2,763,826	2,992,890	2,872,470
Records Management	1,284,149	1,112,153	1,285,610	1,255,221
Communications	792,475	779,572	779,113	779,113
Collections	643,776	716,571	688,051	592,662
End User Technology Fund	2,738,104	2,690,193	3,329,745	2,890,183

*Actual expenses exclude depreciation expense for capital assets acquired by grants externally restricted for capital acquisitions and construction (Radio Services, \$203,670; Ice Arena, \$84,634; Airport, \$600,009).

Budgetary amounts lapse at year-end, except for unexpended appropriations for capital projects, which carry forward to the ensuing year. The County Board, by ordinance, can authorize the carry forward of prior year's unexpended appropriations to the ensuing year.

B. EXCESS EXPENDITURES OVER APPROPRIATIONS

No funds had excess expenditures over appropriations.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 3— STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT'D)

C. DEFICIT BALANCES

No funds had a deficit balance at December 31, 2005.

D. LIMITATIONS ON THE COUNTY'S TAX LEVY RATE AND ITS ABILITY TO ISSUE NEW DEBT

As part of Wisconsin's 1993 State Budget Bill (Act 16), legislation was passed (s.55.605, Wisconsin statutes) that limits the County's future tax levy rates. Generally, the County is limited to its 1992 tax levy rate for a five-year period, based upon current legislation. However, this limitation does not affect debt authorized prior to August 12, 1993 or refunding bonds.

The County may also exceed the limitation by holding a referendum (s.55.605 (3)(a)(1)) authorizing the County Board to approve a higher rate. The County may also exceed the rate if it increases the services it provides due to a transfer of these services from another governmental unit.

State statutes (s.55.605 and 67.045) also impose restrictions on the county's ability to issue new debt. Generally, referendum approval is required to issue unlimited tax general obligation debt, with the following exceptions:

- Refunding debt issues
- 75% approval by the County Board
- A reasonable expectation that the new debt can be accommodated within the existing tax rate
- Other exceptions as listed in State Statutes Section 67.045

The County is in compliance with the limitation.

NOTE 4 - DEPOSITS AND INVESTMENTS

The County maintains a cash and investment pool that is available for use by all funds, except agency funds. The deposits and investments of the agency funds are held separately from those of other County funds. The deposit and investment balances of the various fund types on December 31, 2005 are as follows:

General Fund	\$46,303,175
Special Revenue Funds	10,805,960
Debt Service Funds	3,017,768
Capital Projects Funds	24,921,642
Enterprise Funds	17,011,867
Internal Service Funds	14,490,277
Internal Service Funds – Restricted	390,097
Agency Funds	20,604,905
Total	\$137,545,691

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 4– DEPOSITS AND INVESTMENTS (CONT'D)

The County has adopted a formal investment policy which delegates authority to the Director of Administration to invest money of the County, to sell or exchange securities purchased and to provide for the safekeeping of such securities. The Department of Administration contracts with investment advisory firms for investment management services.

Investment Risk Factors

There are many factors that can affect the value of investments, such as credit risk, custodial credit risk, concentration of credit risk, interest rate risk and foreign currency risk.

Credit Risk

Fixed income securities are subject to credit risk, which is the chance that a bond issuer will fail to pay interest or principal in a timely manner, or that negative perceptions of the issuer's ability to make these payments will cause security prices to decline. The circumstances may arise due to a variety of factors such as financial weakness, bankruptcy, litigation and/or adverse political developments.

A bond's credit quality is an assessment of the issuer's ability to pay interest on the bond, and ultimately, to pay the principal. Credit quality is evaluated by one of the independent bond rating agencies, such as Moody's Investors Service (Moody's) or Standard and Poor's (S&P). The lower the rating, the greater the chance, in the rating agency's opinion, that the bond issuer will default or fail to meet its payment obligations. Generally, the lower a bond's credit rating, the higher its yield should be to compensate for the additional risk. The County's investment policy permits investments in securities only rated in the top two rating categories by Moody's and/or S&P.

Certain fixed income securities, including obligations of the U.S. government or those explicitly guaranteed by the U.S. government are not considered to have credit risk.

The credit risk profile for fixed income securities at December 31, 2005 is as follows:

U.S. Government Guaranteed	
U.S. Treasury	\$22,122,881
U.S. Agencies	8,895,239
Total U.S. Government Guaranteed	\$31,018,120
Money Market Accounts	
AAAm	\$5,773,528
Unrated – Wisconsin Local Government Investment Pool	5,201,120
Total Money Market Accounts	\$10,974,648
U.S. Agencies	
AAA rated	\$67,409,898
Municipal Bonds	
AAA rated	\$4,561,594
AA rated	3,162,315
Total Municipal Bonds	\$7,723,909
Grand Total	\$117,126,575

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 4— DEPOSITS AND INVESTMENTS (CONT'D)

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the custodian holding the County's deposits and investments, the deposits and investments may not be returned.

As of December 31, 2005, the carrying amount of the County's deposits was \$19,763,941 and the bank balance was \$15,168,411. \$13,391,151 of the bank balance at year-end was covered by Federal and State depository insurance or by collateral held by the County's agent in the County's name. \$1,777,260 of the bank balance was uninsured or uncollateralized at year-end. In addition, the County maintains petty cash funds in the amount of \$43,897.

The County's Investment Policy requires all investment institutions acting as a depository for the County to enter into a "depository agreement" requiring the depository to pledge collateral to secure deposits over and above the \$100,000 of federal depository insurance and the \$400,000 covered by the State Deposit Guarantee. All securities serving as collateral shall be specifically pledged to the County (not as part of a pooled fund) and placed in a custodial account at a Federal Reserve Bank, a trust department of a commercial bank, or through another financial institution. The custodian may not be owned or controlled by the depository institution or its holding company unless it is a separately operated trust institution. The custodian shall send statements of pledged collateral to the Treasurer's Office on a monthly basis.

The County's Investment Policy requires all of the County's investments to be held in the County's name by a third party custodian (a bank trust company), or be part of an external investment pool. There is no custodial credit risk exposure for these investments.

Concentration of Credit Risk

Concentration of credit risk is the risk associated with a lack of diversification of having significant funds invested in a few individual issuers, thereby exposing the County to greater risks resulting from adverse economic, political, regulatory, geographic or credit developments.

Major issuers (over five percent of total investments) in the County's portfolio as of December 31, 2005 are as follows:

Issuer	Amount	Percentage
Federal National Mortgage Association	\$39,498,525	37.2%
Federal Home Loan Mortgage Corp.	\$23,123,846	21.8%
US Treasury	\$22,122,881	20.8%
Small Business Administration	\$5,605,370	5.3%
Other Issuers (none over 5%)	\$15,801,305	14.9%
Grand Total	\$106,151,927	100.0%

The County's Investment Policy limits participation in investment pools or money market funds to no greater than ten percent of the total funds invested in the pool, based on monthly statement ending balances. There are no restrictions relating to concentration of credit risk on investments in debt securities.

Interest Rate Risk

The maturity limits in the County's investment policy are 120 days average maturity for money markets, 270 days for commercial paper, (which the County does not currently own) and 7 years on out of state

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 4– DEPOSITS AND INVESTMENTS (CONT'D)

general obligation securities. The County doesn't have any overall restrictions, and instead manages things on an individual portfolio basis.

The County's Investment Policy specifies duration as the method to manage interest rate risk for its investments. In practice, the County contracts with professional portfolio management firms for its investments. Each portfolio management firm has been assigned a widely recognized benchmark or combination of benchmarks thereof, consistent with their management strategy. Galliard Capital Management and J.P. Morgan Asset Management have been assigned the Lehman Intermediate Government Index as their benchmark. Dana Investment Advisors has been assigned the 100% Donoghue Taxable Index as their benchmark.

In addition to using the assigned benchmarks to evaluate the performance of the portfolio management firms, the firms also manage interest rate risk by maintaining the effective duration of their portfolios consistent to the duration of the assigned benchmark. The duration of the County's overall investments at December 31, 2005 is as follows (total duration includes money market accounts, which are not listed in the table):

Investment Type	Amount	Effective Duration
Federal Agency Coupon Securities	\$ 9,011,350	4.99 years
U.S. Treasury Coupon Securities	20,711,978	3.89 years
U.S. Treasury Discount Securities	1,058,445	7.70 years
U.S. Treasury Inflation Protected Securities	352,458	0.00 years
Federal Agency Mortgage Pass Through Securities	67,293,787	2.72 years
Municipal Bonds	7,723,909	3.47 years
Grand Total	\$106,151,927	2.94 years

For money market fund investments and the Wisconsin Local Government Investment Pool, weighted average maturity is used to measure interest rate risk. The weighted average maturity of all of the County's money market investments at December 31, 2005 is as follows:

Fund Name	Amount	Weighted Average Maturity
Wisconsin Local Government Investment Pool	\$5,201,120	32 days
AIM Short Term Investment Trust – Government and Agency Portfolio	1,948,680	28 days
Federated Government Obligations Fund	968,497	29 days
JP Morgan Government Money Market Fund	2,856,352	28 days
Grand Total	\$10,974,649	

Foreign Currency Risk

The County's Investment Policy does not permit investments in securities of foreign issuers or in securities denominated in a currency other than the U.S. Dollar.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 5— RECEIVABLES

Property Taxes

The County's property taxes are levied on or before December 31 on the equalized valuation as of the prior January 1 for all general property located in the County. The taxes are due and payable in the following year. Such amounts are recorded as property taxes receivable and deferred revenues in the accompanying financial statements. The aggregate levy of \$90,157,858 will be recognized as revenue during 2006.

Property taxes are recognized in the appropriate fund as revenues in the succeeding year when they are collected and available to finance services. If not collected by July 31st the delinquent property taxes are recorded as receivables and deferred revenues in the general fund. Delinquent property taxes are recognized as revenue when collected. Simple interest and penalty of 1 1/2 percent per month on delinquent property taxes are assessed by the County and recognized as revenue when received.

The County purchases uncollected property taxes from other taxing authorities at the unpaid amount to facilitate the collection of the taxes. The purchases are a financing arrangement and are not included in property tax revenues.

Local treasurers collect property taxes levied, typically through the last day of January in each year.

At this time, a settlement process between the county treasurer and local treasurers determines the amount due the various taxing districts. Tax collection becomes the responsibility of the County and taxes receivable represent unpaid taxes levied for all taxing entities within the County. The exceptions to this process are the Cities of Muskego, New Berlin, Oconomowoc and Waukesha and the Villages of Mukwonago and Sussex, wherein the settlement process does not occur until August of each year. Periodic advances from these taxing districts to the County are made prior to August of each year.

On August 31, the tax lien date, all unpaid taxes are reflected as tax certificates. No allowance for losses on delinquent taxes has been provided because of the County's demonstrated ability to recover any losses through the sale of the property.

Delinquent property taxes purchased from other taxing authorities are shown as reservations of fund balance at year-end. Delinquent property taxes levied by the County are shown as deferred revenue and are excluded from the fund balance until collected.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 5- RECEIVABLES (CONT'D)

At December 31, 2005, delinquent property taxes by year levied consisted of the following:

Tax Certificates	Total	County Levied	County Purchased
2004	\$ 3,409,291	\$ 393,091	\$ 3,016,200
2003	1,095,685	123,593	972,092
2002	398,978	45,204	353,774
2001	35,946	4,084	31,862
2000	24,256	2,877	21,379
1999	4,234	487	3,747
1998 and prior	20,235	2,371	17,864
Tax Deeds	58,212	6,752	51,460
Total Delinquent Property Taxes Receivable	\$ 5,046,837	\$ 578,459	\$ 4,468,378

Noncurrent Receivables

The amount of receivables not expected to be collected within one year include an estimated \$3.3 million of property taxes, \$1.8 million of CDBG loans, and \$711,764 of municipal loans.

Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of current period. They have been levied with the intention to finance the following year's activities. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	Unavailable	Unearned	Total
Property taxes receivable for subsequent year	\$ -	\$ 89,686,569	\$ 89,686,569
Delinquent property taxes receivable	-	578,459	578,459
CDBG loans receivable	3,452,619	-	3,452,619
Municipal loans receivable	892,393	-	892,393
Grant draw downs prior to meeting all eligibility requirements	-	1,077,939	1,077,939
Total deferred/unearned revenue for governmental funds	\$ 4,345,012	\$ 91,342,967	\$ 95,687,979

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 6- DUE FROM OTHER GOVERNMENTS

At December 31, 2005, amounts due from other governments consisted of the following:

Source	Amount
Federal:	
CDBG Grants	\$ 613,915
Dept of Aging Grants	244,191
Dept of Justice/U.S. Marshall	123,262
Other Federal	2,685
State:	
Health and Human Services Aid	5,388,035
Dept of Transportation	806,076
Other State	959,343
County and Municipal	283,430
Total per Statement of Net Assets	\$ 8,420,937

NOTE 7- LONG TERM RECEIVABLE FROM MUNICIPALITIES

Trunked Radio. As part of a countywide radio upgrade capital project, the County entered into 50/50 cost-share agreements with municipalities to finance the project's infrastructure costs. As part of the agreement, the County is providing interest-free financing to initial charter member municipalities over a nine-year period for infrastructure. The County is also providing interest bearing financing to municipalities for radio equipment purchases at the County's cost of capital of 4.2%. In 2000, the County recorded a long-term receivable from municipalities of \$1,784,458 in the radio services enterprise fund for infrastructure. Annual repayments began in 2000. In 2001, the County recorded an additional long term receivable from municipalities of \$3,891,900 for equipment. Annual repayments for equipment began in 2001. The balance of the long-term receivable at December 31, 2005 is \$2,271,326.

Communications Center. The 2003 capital budget included the appropriation of general fund balance as loans to municipalities to help them finance their half of infrastructure costs for a Waukesha County Communications Center. During 2002, the County received commitments from 29 municipalities, in the form of promissory notes to Waukesha County, to pay their estimated share of the capital costs. These notes totaled \$1,423,526, and were recorded as long-term receivables from municipalities in 2003, when construction began on the communications center. As of December 31, 2005, \$892,392 was outstanding on the notes.

Community Development Programs. As of December 31, 2005, \$3,452,619 is receivable from cities, villages, towns and non-profit corporations for federally funded Housing Assistance, Economic Development, and HOME loan programs.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 8— CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2005 was as follows

	Balance 01/01/2005	Additions	Deletions	Balance 12/31/2005
Governmental Activities				
Capital assets not being depreciated:				
Land	<u>\$ 32,975,336</u>	<u>\$ 1,215,763</u>	<u>\$ 141,393</u>	<u>\$ 34,049,706</u>
Construction in progress	<u>\$ 59,545,648</u>	<u>\$26,049,582</u>	<u>\$ 6,872,395</u>	<u>\$ 78,722,835</u>
Other Capital Assets				
Buildings	\$ 100,187,740	\$ 3,763,403	\$ 4,232,384	\$ 99,718,759
Land improvements	10,393,483	984,546	-	11,378,029
Machinery and equipment	26,115,912	3,180,631	1,437,093	27,859,450
Vehicles	9,880,336	1,617,451	1,601,048	9,896,739
Infrastructure	168,551,339	5,290,450	102,172	173,739,617
Total other capital assets at historical cost	<u>\$ 315,128,810</u>	<u>\$14,836,481</u>	<u>\$ 7,372,697</u>	<u>\$ 322,592,594</u>
Less: Accumulated Depreciation for:				
Buildings	\$ 31,903,123	\$ 3,863,811	\$ 4,144,324	\$ 31,622,610
Land improvements	5,023,009	1,032,891	-	6,055,900
Machinery and equipment	17,388,190	2,030,094	986,368	18,431,916
Vehicles	5,233,204	1,184,196	1,617,434	4,799,966
Infrastructure	80,308,806	2,799,695	108,687	82,999,814
Total Accumulated Depreciation	<u>\$ 139,856,332</u>	<u>\$10,910,687</u>	<u>\$ 6,856,813</u>	<u>\$ 143,910,206</u>
Net Other Capital Assets	<u>\$ 175,272,478</u>	<u>\$ 3,925,794</u>	<u>\$ 515,884</u>	<u>\$ 178,682,388</u>

The difference between the additions in accumulated depreciation shown above and the depreciation expense reflected on the following page can be explained as follows:

Depreciation Expense	\$ 8,915,530
Transfers in	
Exposition Center	1,989,157
Register of Deeds	<u>6,000</u>
Total Accumulated Depreciation Additions	<u>\$ 10,910,687</u>

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 8- CAPITAL ASSETS (CONT'D)

Depreciation expense was charged to functions as follows:

Justice and Law Enforcement	\$ 68,925
Health & Human Services	7,605
Public Works (includes roads, bridges, signals, buildings)	5,218,849
Environment, Parks, and Education	688,906
General Government	454,796
Risk Management	767
Vehicle Replacement Fund	1,819,691
Central Fleet	136,498
Records Management	103,750
Communications	16,062
Collections	3,279
End User Technology Fund	<u>396,402</u>
Total Governmental Activities Depreciation Expense	<u><u>\$ 8,915,530</u></u>

Business-Type Activities	Balance 01/01/2005	Additions	Deletions	Balance 12/31/2005
Capital assets not being depreciated:				
Land	<u>\$ 10,288,747</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,288,747</u>
Construction in progress	<u>\$ 20,713</u>	<u>\$ 548,702</u>	<u>\$ -</u>	<u>\$ 569,415</u>
Other Capital Assets				
Buildings	\$ 19,409,933	\$ 33,639	\$ 2,992,988	\$ 16,450,584
Land improvements	18,897,043	258	901,057	17,996,244
Machinery and equipment	<u>7,551,402</u>	<u>743,339</u>	<u>709,862</u>	<u>7,584,879</u>
Total other capital assets at historical cost	<u>\$ 45,858,378</u>	<u>\$ 777,236</u>	<u>\$ 4,603,907</u>	<u>\$ 42,031,707</u>
Less: Accumulated depreciation for:				
Buildings	\$ 7,039,557	\$ 547,192	\$ 1,451,843	\$ 6,134,906
Land improvements	6,959,458	887,039	460,666	7,385,831
Machinery and equipment	<u>4,132,745</u>	<u>610,574</u>	<u>396,483</u>	<u>4,346,836</u>
Total Accumulated Depreciation	<u>18,131,760</u>	<u>2,044,805</u>	<u>2,308,992</u>	<u>17,867,573</u>
Net Other Capital Assets	<u>\$ 27,726,618</u>	<u>\$ (1,267,569)</u>	<u>\$ 2,294,915</u>	<u>\$ 24,164,134</u>

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 8– CAPITAL ASSETS (CONT'D)

Depreciation expense was charged to functions as follows:

Radio Services	\$ 442,641
Golf Courses	233,917
Ice Arenas	225,661
Materials Recovery Facility	192,201
Airport	<u>950,385</u>
Total Business-Type Activities Depreciation Expense	<u>\$ 2,044,805</u>

NOTE 9. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Individual fund interfund receivable and payable balances for overdrafts on pooled cash accounts at December 31, 2005 were as follows:

Receivable Fund	Payables Fund	Amount	Amount Not Due Within One Year
General Fund	Mental Health Center	\$43,948	\$ 0
Subtotal - Fund financial statements		43,948	0
Less: Fund eliminations		(43,948)	0
Add: Balances created with internal service fund eliminations		398,958	0
Total – Government-wide statement of Net Assets		\$398,958	\$ 0

Individual balances for interfund advances at December 31, 2005 were as follows:

Receivable Fund	Payables Fund	Amount	Amount Not Due Within One Year	Purpose
General Fund	2003 Capital Projects	\$ 1,797,685	\$ 1,619,745	Loans to Municipalities
General Fund	Ice Arena Fund	1,747,808	1,639,984	Building Construction
General Fund	Radio Services	2,845,514	2,270,886	Building Construction
General Fund	Risk Management	259,526	134,312	Note Retirement
Subtotal – General Fund		\$ 6,650,533	\$ 5,664,927	
Golf Course Fund	Ice Arena Fund	461,609	461,609	Building Construction
Subtotal - Fund financial statements		7,112,142	6,126,536	
Less fund eliminations		(2,518,820)	(2,215,666)	
Total – Government-wide statement of net assets		\$ 4,595,322	\$ 3,910,870	

The principal purpose of these interfunds is to provide funding for capital projects through internal borrowing.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 9- INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (CONT'D)

All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

For the statement of net assets, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

The following is a schedule of interfund transfers:

Fund Transferred From	Fund Transferred To	Amount	Principal Purpose
General Fund	Debt Service	\$ 500,000	Debt Retirement
General Fund	2005 Capital Projects Fund	3,000,000	Capital project funding
General Fund	Tarmann Fund	103,545	Land acquisition
General Fund	Highway Fund	245,000	Operating budget support
General Fund	Exposition Center Fund	\$ 68,875	To close Expo net assets
Subtotal General Fund		\$ 3,917,420	
Other Governmental:			
Human Services	Mental Health Center	\$ 89,600	Operating budget support
Long Term Care	Mental Health Center	159,470	Operating budget support
1998 Capital Projects Fund	2005 Capital Projects Fund	1,600,000	Capital project funding
Total Governmental		\$ 5,766,490	
Proprietary:			
Golf Course Fund	Tarmann Fund	\$ 75,000	Land acquisition
End User Technology	General Fund	70,000	Operating budget support
Collections Fund	General Fund	95,000	Repay start-up costs
Total Proprietary		\$ 240,000	
Subtotal Fund Financial Statements		\$ 6,006,490	
Less: Fund Eliminations		\$ (6,000,365)	
Add: Capital assets transferred from exposition center		2,075,214	
Grand Total - Statement of Activities		\$ 2,081,339	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

In the fund financial statements, total transfers out of \$8,081,704 are greater than total transfers in of \$6,006,490 because of the treatment of transfers of capital assets from the enterprise fund to the governmental activities. During the year, existing capital assets previously recorded in the Exposition Center enterprise fund, with a book value of \$2,075,214, were transferred to the governmental activities. No amounts were reported in the governmental funds as the amount did not involve the transfer of financial resources. However, the enterprise funds did report a transfer out for the capital resources provided to the governmental activities.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 10— LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2005 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
General Obligation Debt	\$ 71,465,000	\$14,400,000	\$ (8,715,000)	\$77,150,000	\$ 9,625,000
Compensated Absences (Note 1.D.7)	3,795,519	628,965	(227,731)	4,196,753	4,196,753
Total Governmental Activities	\$ 75,260,519	\$15,028,965	\$ (8,942,731)	\$81,346,753	\$ 13,821,753

General Obligation Debt

The County has issued general obligation debt for the purpose of financing various capital improvements. All general obligation notes and bonds payable are backed by the full faith and credit of the County. Notes and bonds in the governmental funds will be retired by future property tax levies.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the County may not exceed five percent of the equalized value of taxable property within the County's jurisdiction. The debt limit as of December 31, 2005, based on an equalized value of \$45,451,031,200 was \$2,272,551,560. Total general obligation debt outstanding at year-end was \$77,150,000.

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/05
General Obligation Debt					
Governmental Activities					
1998A GOPN	06/01/98	12/01/07	4.125%-4.20%	9,800,000	3,225,000
1999A GOPN	05/01/99	12/01/08	3.50%-4.30%	9,900,000	5,900,000
2000A GOPN	07/01/00	12/01/09	5.00%	9,900,000	7,000,000
2001B GOPN	05/01/01	12/01/10	4.50%	9,900,000	8,350,000
2002A GOPN	04/01/02	04/01/12	3.75%-4.40%	14,600,000	13,200,000
2003A GOPN	04/01/03	04/01/13	2.00%-3.875%	13,500,000	12,575,000
2004A GOPN	04/01/04	04/01/14	2.00%-3.20%	14,000,000	12,500,000
2005A GOPN	05/01/05	04/01/15	3.50%-4.00%	14,400,000	14,400,000
Total					77,150,000

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 10– LONG-TERM OBLIGATIONS (CONT'D)

Debt service requirements to maturity are as follows:

Governmental Activities General Obligation Debt		
Years	Principal	Interest
2006	9,625,000	2,980,914
2007	9,575,000	2,580,100
2008	9,630,000	2,148,556
2009	9,340,000	1,715,063
2010	8,575,000	1,323,305
2011-2015	30,405,000	2,121,588
Total	\$ 77,150,000	\$ 12,869,526

As of December 31, 2005, \$3,017,768 is available in the governmental funds to service the general obligation debt.

Other Debt Information

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the general and human services funds.

NOTE 11– LEASE DISCLOSURES

The County has no material capital leases as lessee or lessor.

Operating Leases

1. The County has a master lease agreement with the WCTC Foundation for the rental of space in a building known as the Workforce Development Center. The initial lease covered a ten-year period beginning January 1, 1995 with one ten-year renewal option. In August, 2004 an extension was negotiated for a period of five years commencing on January 1, 2005. The extension included reduced footage (4,271 square feet) and an annual payment composed of a base rent (for 2005 only) and an additional amount for payment of operating costs and capital improvements/major maintenance (sinking fund). The annual rate for operating costs continues the 1995 initial rate of \$4.00 per square foot with an annual adjustment based on the Consumer Price Index. The resulting actual 2005 lease costs are detailed below.

Base Rent	\$ 10,299
Operating costs	21,675
Sinking fund: Capital improvements/major maintenance	2,349
Unpaid claims - End of Year	<u>\$ 34,323</u>

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 11– LEASE DISCLOSURES (CONT'D)

2. The County, through the Airport Commission, oversees the overall operation of the airport, and is lessor of the facility under various operating leases for periods ranging from 2006 through 2035. Operating leases at December 31, 2005 provide for the following future minimum lease payments:

Year	Amount
2006	\$ 196,964
2007	197,808
2008	184,844
2009	177,079
2010	159,168
2011-15	705,522
2016-20	563,776
2021-25	371,550
2026-30	363,561
2031-35	99,839
Total	\$ 3,020,111

The leased facilities have a cost of \$2,947,806, accumulated depreciation of \$1,505,872, and a net book value of \$1,441,934.

NOTE 12 –GOVERNMENTAL ACTIVITIES NET ASSETS

Governmental activities net assets reported on the government wide statement of net assets at December 31, 2005 includes the following:

Invested in capital assets, net of related debt	
Land	\$ 34,049,706
Construction in progress	78,722,835
Other capital assets, net of accumulated depreciation	178,682,388
Less: related long-term debt outstanding (net of unspent proceeds of debt)	<u>(77,145,592)</u>
Total invested in capital assets	<u>\$ 214,309,336</u>

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 13— COMPONENT UNIT (CONT'D)

This report contains the Waukesha County Housing Authority (Authority), which is included as a component unit. Financial information is presented as a discrete column in the statement of net assets and statement of activities. The footnote below is re-produced from the Authority's report.

NOTE 1 – Summary of Significant Accounting Policies

The accounting policies of the Waukesha County Housing Authority, Wisconsin conform to generally accepted accounting principles as applicable to enterprise funds of governmental units.

A. Reporting Entity

This report contains the financial information of the Waukesha County Housing Authority (the "Authority"), which is a component unit of Waukesha County.

The Authority is a legally separate organization. The board of commissioners of the Authority is appointed by the county executive and board of supervisors of Waukesha County. Wisconsin Statutes provide for circumstances whereby Waukesha County can impose their will on the Authority, and also create a potential financial benefit to or burden on Waukesha County.

The reporting entity for the Authority consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary governments. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. This report does not contain any component units.

The Authority was established for the purpose of engaging in the development, acquisition, and administrative activities of low-income housing programs and other programs with similar objectives. The United States Department of Housing and Urban Development (HUD) has direct responsibility for administering the low-income housing programs under the United States Housing Act of 1937, as amended. HUD is authorized to enter into contracts with local housing authorities to make loans to assist the local housing authorities in financing the acquisition,

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 13— COMPONENT UNIT (CONT'D)

construction and/or leasing of housing units and to make annual contributions (subsidies) to local housing authorities for the purpose of maintaining the low-rent character of the local housing programs.

B. Financial Statements

All activities of the Authority are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment applied to the Authority is determined by its measurement focus. The transactions of the Authority are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the balance sheet. Net assets (i.e., total assets net of total liabilities) are segregated into "invested in capital assets, net of related debt"; "restricted"; and "unrestricted" components.

The Authority follows all pronouncements of the Governmental Accounting Standards Board, and has elected not to follow Financial Accounting Standards Board pronouncements issued after November 30, 1989. The Authority distinguishes *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The Authority currently does not have any operating revenues. Operating expenses for the Authority include administrative expenses, tenant expenses, maintenance and operation and housing assistance payments. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

For purposes of the statement of cash flows, the Authority considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 13- COMPONENT UNIT (CONT'D)

Investment of Authority funds is restricted by state statutes. Available investments are limited to:

1. Time deposits in any credit union, bank, savings bank or trust company maturing in three years or less.
2. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, or by the University of Wisconsin Hospitals and Clinics Authority.
3. Bonds or securities issued or guaranteed by the federal government.
4. The local government investment pool.
5. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
6. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
7. Repurchase agreements with public depositories, with certain conditions.

The Authority's investment policy follows the state statute for allowable investments. The Authority does not have a policy that pertains to custodial credit risk.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. The difference between the book balance and carrying value is due to outstanding checks and/or deposits in transit.

See NOTE III.A. for further information.

2. Receivables

Accounts receivable have been shown net of an allowance for uncollectible accounts of \$0.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by external parties. Current liabilities payable from these restricted assets are so classified.

5. Capital Assets

Capital assets used by the Authority are those assets owned by the Housing Authority of the City of Waukesha. Consequently, the Authority does not report any capital assets.

6. Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 13- COMPONENT UNIT (CONT'D)

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at September 30, 2005 are determined on the basis of current salary rates and include salary related payments.

7. Conduit Debt

The Authority has issued multifamily housing refunding revenue bonds for the benefit of private enterprises. The bonds are secured by revenue agreements on the associated projects and do not constitute indebtedness of the Authority. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of bonds outstanding at the end of the year is \$25,070,000, made up of three issues.

8. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments are recorded as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

9. Equity Classifications

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets less any unspent debt proceeds.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTE II – Stewardship, Compliance, and Accountability

A. Budgetary Information

The Authority is required by contractual agreements to adopt annual, appropriated operating budgets for funds receiving federal expenditure awards. All budgets are prepared on a basis prescribed by HUD which is materially consistent with generally accepted accounting principles. All annual appropriations lapse at year-end.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 13– COMPONENT UNIT (CONT'D)

NOTE III – Detailed Notes on All Funds

A. Deposits and Investments

The Authority's cash and investments at year end were comprised of the following:

	Carrying Value	Bank Balance	Associated Risks
Demand deposits	\$ 270,619	\$ 270,619	Custodial credit risk
Certificates of deposit	296,719	296,719	Custodial credit risk
Total Cash and Investments	<u>\$ 567,338</u>	<u>\$ 567,338</u>	

Reconciliation to financial statements

Per statement of net assets

Unrestricted cash and cash equivalents	\$ 236,751
Unrestricted investments	296,719
Restricted cash and cash equivalents	33,868
Total Cash and Investments	<u>\$ 567,338</u>

Deposits in each local and area bank are insured by the FDIC in the amount of \$100,000 for interest bearing accounts and \$100,000 for noninterest bearing accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual entities.

Custodial Credit Risk

Deposits – Custodial credit risk is the risk that in the event of a financial institution failure, the Authority's deposits may not be returned to the Authority.

The Authority does not have any deposits exposed to custodial credit risk.

B. Receivables

All of the Authority's receivables are expected to be collected within one year.

C. Restricted Assets

The following represent the balances of the restricted assets:

Tenant Deposits

The Authority holds certain assets under the Family Self Sufficiency Program which are for the purpose of assisting tenants with accumulating funds.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 13– COMPONENT UNIT (CONT'D)

NOTE IV – Other Information

A. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

B. Commitments and Contingencies

From time to time, the Authority is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Authority's Attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Authority's financial position or results of operations.

The Authority has received federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

C. Economic Dependency

The Authority is economically dependent on annual contributions and grants from the U.S. Department of Housing and Urban Development (HUD). The Authority operates at a loss prior to receiving contributions and grants from HUD.

NOTE 14– EMPLOYEES' RETIREMENT SYSTEM

All eligible County employees participate in the Wisconsin Retirement System (WRS), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). All permanent employees expected to work over 600 hours a year are eligible to participate in the WRS. Covered employees in the General category are required by statute to contribute 5.6% of their salary (2.6% for Executives and Elected Officials, 4.5% for Protective Occupations with Social Security, and 3.2% for Protective Occupations without Social Security) to the plan. Employers may make these contributions to the plan on behalf of employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for County employees covered by the system for the year ended December 31, 2005 was \$66,239,820; the employer's total payroll was \$66,329,043. The total required contribution for the year

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 14– EMPLOYEES’ RETIREMENT SYSTEM (CONT’D)

ended December 31, 2005 was \$7,331,655 or 11 percent of covered payroll. Of this amount, the employer contributed 100 percent for the current year. Total contributions for the years ending December 31, 2004 and 2003 were \$6,674,647 and \$6,009,769, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 55 for protective occupation employees) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. A final average earnings is the average of the employee's three highest years earnings. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 are immediately vested.

The System also provides death and disability benefits for employees. Eligibility for and the amount of all benefits is determined under Chapter 40 of Wisconsin Statutes. The WRS issues an annual financial report that may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

There was no pension-related debt for the County as of December 31, 2005.

NOTE 15 – RISK MANAGEMENT/SELF INSURANCE

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; and workers compensation. The County purchases commercial insurance to provide coverage for losses from theft of, damages to, or destruction of assets. The County also participates in a public entity risk pool called the Wisconsin Municipal Mutual Insurance Company (WMMIC) to provide coverage for losses from torts, errors and omission, and workers compensation. Such risks are accounted for and financed by the County in an internal service fund – the risk management fund.

Public Entity Risk Pool

During 1987, the County, together with certain other units of government within the State of Wisconsin, created the Wisconsin Municipal Mutual Insurance Company (WMMIC), a nonassessable mutual company which provides liability insurance and risk management services to its members. The County became a member of WMMIC in 1987 by issuing a general obligation note for \$2,459,264 and investing the proceeds in WMMIC. The scope of insurance protection provided by WMMIC is broad, covering automobile liability, general liability, law enforcement liability, public official's errors and omissions, civil rights, incidental medical malpractice, personal injury, equal rights, and Americans with Disabilities Act at policy limits of \$5,000,000 per occurrence with a \$10,000,000 aggregate for general and automobile liability claims and a \$15,000,000 aggregate for errors or omissions claims. The County's self-insured retention limit is \$250,000 for each occurrence and \$950,000 annual aggregate. At this time, settled claims have not exceeded the commercial coverage in any of the past three years. WMMIC's exposure in its layer of insurance is limited to \$1,000,000 per occurrence in that the company purchases \$4,000,000 per occurrence in reinsurance for losses in excess of its retained layer of coverage.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 15— RISK MANAGEMENT/SELF INSURANCE (CONT'D)

WMMIC is governed by one entity-one vote. Member entities include Waukesha County and the counties of Brown, Chippewa, Dane, Dodge, Eau Claire, Kenosha, LaCrosse, Manitowoc, Marathon, Outagamie, and St. Croix and the cities of Eau Claire and Madison. All member entities participate in the governing of the company. Its Board of Directors is made up of at least five representatives of the participating entities and the company's Charter allows for the appointment of two at large members to the Board of Directors. The participants elect the board members at the annual meeting. The board has the authority to adopt its own budget, set policy matters and control the financial affairs of the company.

The actuary for WMMIC determines the insurance premiums for each member based upon the relevant rating exposure bases as well as the historical loss experience by member. WMMIC's ongoing operational expenses, other than loss adjustment expenses, are apportioned pro rata to each participant based on equity interest in the company. The participants' share in the operation of WMMIC as of December 31, 2005 is as follows:

	GAAP Equity Percentage
Brown County	8.07
Chippewa County	3.78
Dane County	10.59
Dodge County	4.02
Eau Claire County	2.94
City of Eau Claire	4.10
Kenosha County	6.36
LaCrosse County	4.13
City of Madison	19.63
Manitowoc County	6.76
Marathon County	6.34
Outagamie County	7.55
St. Croix County	3.45
Waukesha County	12.28
Total	100.00

Summary unaudited financial information of the company as of December 31, 2005 is as follows:

Total assets	\$43,365,185
Total liabilities	14,897,933
Total surplus	28,467,252
Total revenues	5,780,134
Total expenditures	5,419,173
Net income	360,961
Outstanding debt	2,855,988

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 15– RISK MANAGEMENT/SELF INSURANCE (CONT'D)

The County's investment in WMMIC is reported on the risk management fund balance sheet as a deposit. The amount reported is the original capitalization of \$2,459,264. According to its bylaws, WMMIC allocates equity to members based on the percentage of participation. GASB pronouncements do not allow the current value of the County's account at WMMIC to be recorded as an asset. However, the amount is \$3,737,880. Separate financial statements can be obtained from WMMIC at their address of 4785 Hayes Road, Madison, Wisconsin, 53704-7364.

WMMIC requires that the County maintain a minimum reserve amount for the payment of claims equal to the expected present value of unpaid losses as determined by the company's actuary consultant. At December 31, 2005, the county's minimum reserve amount required by WMMIC is \$1,213,267. Risk management's liability and worker's compensation reserves are accounted for in the same fund on a combined basis. The County has established a combined reserve in the amount of \$2,878,327, compared to a combined expected present value of loss amount of \$2,131,164.

Self Insurance – Worker's Compensation

The worker's compensation internal service fund is maintained to provide for self-insured worker's compensation insurance coverage and employee safety and loss control programs. The County contracts with a third party claims administrator for the purpose of adjusting worker's compensation claims. An excess insurance policy covers individual claims in excess of the County's \$250,000 self-insured retention up to statutory requirements (unlimited) per claim. At this time, settled claims have not exceeded the commercial coverage in any of the past three years. Costs associated with the worker's compensation program are billed to other County departments based on exposure and historical loss experience and include amounts necessary to fund current year claims to be paid in the current year and in the future.

At December 31, 2005, the expected present value of unpaid losses, as determined by the County's actuary consultant, is \$917,897. Risk management's liability and worker's compensation reserves are accounted for in the same fund on a combined basis. The County has established a combined reserve in the amount of \$2,878,327, compared to a combined expected present value of loss amount of \$2,131,164.

Claims Liability

The County's objective is to provide a reserve confidence level between 75% and 95% for liability and worker's compensation claims on a combined basis as a reflection of the County's risk tolerance. At December 31, 2005, the County's liability and worker's compensation combined claims reserve totals \$2,878,327, which represents a confidence level just above 75%.

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 15– RISK MANAGEMENT/SELF INSURANCE (CONT'D)

<u>Liability and Workers Compensation Claims</u>	<u>2004</u>	<u>2005</u>
Unpaid claims, including incurred but not reported -		
Beginning of Year	\$ 1,938,777	\$ 2,015,545
Current year claims and changes in estimates	627,147	1,547,390
Claim payments	(550,379)	(684,608)
Unpaid claims - End of Year	<u>\$ 2,015,545</u>	<u>\$ 2,878,327</u>
Amount not due within one year		\$ 437,037
In addition, net assets can be analyzed as follows:		
Invested in capital assets		\$ 2,659
Reserves for losses not captured within actuary analysis (e.g., pollution liability, employment litigation back wages, etc.) and for catastrophic losses		1,317,812
WMMIC deposit		2,459,264
Total Net Assets		<u>\$ 3,779,735</u>

Self-Insurance - Health Coverage

The County has established a self-insurance program for health claims. Claims are accounted for in the general fund, and are processed by a third party claims administrator. The uninsured risk of loss is \$175,000 per individual claimant per year. The County has purchased commercial stop-loss insurance for claims in excess of the \$175,000 retention. In 2005, the plan experienced one claim that exceeded the \$175,000 specific stop loss retention.

The County also has a self-funded dental plan. The insurance claim payments shown below include both self-funded health and dental.

All funds of the County participate in the health and dental insurance programs. Amounts payable to the general fund are based on actuarial estimates of the amounts necessary to pay prior and current year claims.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported. The County does not allocate overhead costs or other non-incremental costs to the claims liability.

Claims Liability	2004	2005
Unpaid claims – Beginning of Year	\$ 1,365,744	\$ 3,342,028
Current year claims and changes in estimates	12,674,921	9,683,579
Claim payments	(10,698,637)	(11,059,247)
Unpaid claims - End of Year	<u>\$ 3,342,028</u>	<u>\$ 1,966,360</u>
Amount not due within one year		<u>\$ 98,318</u>

WAUKESHA COUNTY, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2005

NOTE 16– COMMITMENTS AND CONTINGENCIES

From time to time, the County is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and corporation counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the County's financial position or results of operations.

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

During 2005, the County borrowed \$14,400,000 for the purpose of making various capital improvements. This money, as well as revenue from other sources, is reflected in the 2005 capital projects fund. Work that has been completed but not yet paid for (including contract retainages) is reflected as accounts payable. The balance of contract amounts plus open purchase orders of \$5,938,499 at year end will be paid out of the reserved fund balance in the capital projects funds.

Funding for the operating budget of the County comes from many sources, including property taxes, grants and aids from other units of government, user fees, fines and permits, and other miscellaneous revenues. The State of Wisconsin provides a variety of aid and grant programs which benefit the County. Those aid and grant programs are dependent on continued approval and funding by the Wisconsin governor and legislature, through their budget processes. The State of Wisconsin is currently experiencing budget problems, and is considering numerous alternatives including reducing aid to local governments. Any changes made by the State to funding or eligibility of local aid programs could have a significant impact on the future operating results of the County.

NOTE 17– SUBSEQUENT EVENTS

On May 1, 2006, the County issued \$12,000,000 of General Obligation Promissory Notes, dated May 1, 2006, to finance part of the cost of capital improvements within the County.

NOTE 18– RESTATEMENT OF FUND BALANCES/NET ASSETS

Fund balance has been restated due to an adjustment of prior year subsidies from the State.

Highway Operations Fund	
Fund Balance 12/31/04 (As Reported)	\$ 523,787
Less: Correction of prior years subsidies from the State	<u>(82,784)</u>
Fund Balance 1/1/05 (As Restated)	\$ 441,003

Net assets have been restated due to an adjustment of prior year subsidies from the State

Governmental activities net assets 12/31/04 (As Reported)	\$298,049,062
Less: Correction of prior years subsidies from the State	<u>(82,784)</u>
Net Assets 1/1/05 (As Restated)	\$297,966,278

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REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS

GENERAL FUND - The General Fund is the primary operating fund of the County. It is used to account for resources traditionally associated with governments, except those required to be accounted for in another fund.

HUMAN SERVICES FUND - To account for funds provided for income maintenance, counseling, alcohol and drug abuse programs, children's center services, services to the developmentally disabled, chronically mentally ill, elderly and administrative support services.

LONG TERM CARE FUND - To account for federal and state funds that provide services to eligible persons who are elderly, developmentally disabled, physically disabled or have a long-term mental illness.

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
REVENUES				
General intergovernmental assistance	\$ 1,513,079	\$ 1,513,079	\$ 1,803,600	\$ 290,521
Intergovernmental contracts/grants:				
State - maternal/child	74,847	74,847	74,847	-
State - victim witness	354,350	354,350	327,483	(26,867)
State - elderly transportation	485,266	485,266	486,150	884
State - Title III B	368,275	368,275	333,799	(34,476)
State - circuit court support	1,138,000	1,138,000	1,137,251	(749)
State - WIC	644,751	662,303	625,007	(37,296)
State - miscellaneous drug grants	210,083	266,129	241,002	(25,127)
State - indirect cost	342,122	342,122	475,237	133,115
IV - funding	320,000	320,000	341,125	21,125
Other	1,494,650	3,159,953	1,639,763	(1,520,190)
Total intergovernmental contracts/grants	<u>5,432,344</u>	<u>7,171,245</u>	<u>5,681,664</u>	<u>(1,489,581)</u>
Taxes:				
Property taxes	50,497,508	50,497,508	50,479,577	(17,931)
Sales taxes	400	400	1,456	1,056
Total taxes	<u>50,497,908</u>	<u>50,497,908</u>	<u>50,481,033</u>	<u>(16,875)</u>
Fines and licenses:				
County clerk	127,620	127,620	144,664	17,044
County treasurer	75,000	75,000	226,553	151,553
Sheriff	-	-	630,527	630,527
Circuit court services	894,500	894,500	805,628	(88,872)
Medical examiner	135,585	135,585	154,715	19,130
Parks and planning	226,300	226,300	219,437	(6,863)
Environmental resources	857,500	857,500	852,508	(4,992)
Other	135,000	135,000	95,405	(39,595)
Total fines and licenses	<u>2,451,505</u>	<u>2,451,505</u>	<u>3,129,437</u>	<u>677,932</u>
Charges for services:				
Circuit court services fees	1,232,500	1,232,500	1,207,826	(24,674)
Sheriff department fees	1,995,213	1,995,213	2,091,134	95,921
Sheriff huber jail fees	1,133,140	1,133,140	1,046,788	(86,352)
Sheriff prisoner fees	2,202,253	2,202,253	2,297,225	94,972
Register of deeds - fees	3,055,400	3,055,400	3,686,613	631,213
Office and building rental	91,119	91,119	119,344	28,225
County park fees	1,554,000	1,554,000	1,511,756	(42,244)
Other	1,430,157	1,430,157	1,510,338	80,181
Total charges for services	<u>12,693,782</u>	<u>12,693,782</u>	<u>13,471,024</u>	<u>777,242</u>
Interdepartmental revenues:				
Department charges - prisoner transport	350,400	350,400	324,214	(26,186)
Department charges - bailiffs	605,800	605,800	682,043	76,243
Department charges - grounds maintenance	172,500	172,500	161,786	(10,714)
Department charges - legal services	434,308	434,308	434,422	114
Department charges - administrative services	320,300	320,300	313,860	(6,440)
Department charges - indirect cost	419,000	419,000	576,675	157,675
Department charges - building space	356,684	356,684	356,684	-

(CONTINUED)

WAUKESHA COUNTY, WISCONSIN

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended December 31, 2005**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
Interdepartmental revenues (continued):				
Other	\$ 461,384	\$ 461,384	\$ 470,563	\$ 9,179
Total interdepartmental revenues	<u>3,120,376</u>	<u>3,120,376</u>	<u>3,320,247</u>	<u>199,871</u>
Investment earnings	5,439,490	5,439,490	2,857,505	(2,581,985)
Miscellaneous revenues:				
Interest on delinquent taxes	1,223,334	1,223,334	1,255,314	31,980
Penalties on delinquent taxes	614,666	614,666	640,294	25,628
Profit on tax deed sale	12,000	12,000	17,664	5,664
Sale of capital assets	2,000	2,000	495	(1,505)
Recoveries	237,110	255,281	636,373	381,092
Pay phone commission	25,000	25,000	23,588	(1,412)
Employee resale revenue	241,033	241,033	189,871	(51,162)
Donations	7,700	7,700	10,645	2,945
Other	318,101	336,296	3,693,563	3,357,267
Total miscellaneous revenues	<u>2,680,944</u>	<u>2,717,310</u>	<u>6,467,807</u>	<u>3,750,497</u>
Total revenues	<u>83,829,428</u>	<u>85,604,695</u>	<u>87,212,317</u>	<u>1,607,622</u>
EXPENDITURES				
Justice and public safety				
Sheriff - administration	5,579,495	5,646,903	5,400,596	246,307
Sheriff - jail and corrections	10,873,478	10,862,416	10,581,141	281,275
Sheriff - investigation	3,802,101	3,861,342	3,665,988	195,354
Sheriff - patrol	8,256,011	8,420,575	8,730,939	(310,364)
District attorney	2,161,214	2,199,429	2,106,570	92,859
Circuit court services	8,452,616	8,534,770	8,420,899	113,871
Medical examiner	1,097,226	1,149,440	1,139,820	9,620
Emergency preparedness	4,343,115	5,353,924	4,234,849	1,119,075
Total justice and public safety	<u>44,565,256</u>	<u>46,028,799</u>	<u>44,280,802</u>	<u>1,747,997</u>
Health and human services:				
Senior services	2,267,948	2,338,381	1,968,421	369,960
Veteran services	249,204	249,204	232,583	16,621
Human services	3,095,981	3,113,595	3,036,569	77,026
Total health and human services	<u>5,613,133</u>	<u>5,701,180</u>	<u>5,237,573</u>	<u>463,607</u>
Environment, parks and education:				
University of Wisconsin extension	496,488	972,596	667,360	305,236
Register of deeds	1,872,408	1,985,444	1,788,961	196,483
Parks and land use	11,230,710	11,791,953	10,943,820	848,133
Total parks and land use	<u>13,599,606</u>	<u>14,749,993</u>	<u>13,400,141</u>	<u>1,349,852</u>
Public works				
Facilities management	9,138,476	9,583,508	9,039,057	544,451
General government:				
County executive	518,354	536,299	468,666	67,633
County board	1,332,291	1,332,291	1,239,675	92,616
Administration	6,595,388	6,720,257	6,245,015	475,242
County clerk	456,366	547,048	530,145	16,903

(CONTINUED)

WAUKESHA COUNTY, WISCONSIN

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended December 31, 2005**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
General government (continued):				
County treasurer	\$ 687,941	\$ 687,941	\$ 548,885	\$ 139,056
Non-departmental	3,129,050	3,176,059	1,756,318	1,419,741
Corporation counsel	1,285,596	1,285,596	1,204,961	80,635
Total general government	14,004,986	14,285,491	11,993,665	2,291,826
Total expenditures	<u>86,921,457</u>	<u>90,348,971</u>	<u>83,951,238</u>	<u>6,397,733</u>
Excess of Revenues Over (Under) Expenditures	(3,092,029)	(4,744,276)	3,261,079	8,005,355
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	165,000	165,000
Transfers out	-	-	(3,917,420)	(3,917,420)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(3,752,420)</u>	<u>(3,752,420)</u>
Net change in fund balances	(3,092,029)	(4,744,276)	(491,341)	4,252,935
Fund Balance - January 1	50,349,968	50,349,968	50,349,968	-
Fund Balance - December 31	<u>\$ 47,257,939</u>	<u>\$ 45,605,692</u>	<u>\$ 49,858,627</u>	<u>\$ 4,252,935</u>

(CONCLUDED)

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - HUMAN SERVICES FUND
For The Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
REVENUES				
Intergovernmental contracts/grants:				
State - human services allocation	\$ 7,153,918	\$ 7,153,918	\$ 8,432,370	\$ 1,278,452
State - youth aids	3,304,091	3,304,091	3,296,397	(7,694)
State - income maintenance programs	2,010,024	2,010,024	2,046,912	36,888
State - community integration	200,421	200,421	207,617	7,196
State - child day care	443,383	443,383	444,651	1,268
State - jobs program	223,397	223,397	162,793	(60,604)
State - alcohol and drug abuse	611,473	611,473	611,473	-
State - child support	185,483	185,483	185,483	-
Other	8,657,629	8,699,829	6,219,797	(2,480,032)
Total intergovernmental contracts/grants	<u>22,789,819</u>	<u>22,832,019</u>	<u>21,607,493</u>	<u>(1,224,526)</u>
Taxes	12,085,273	12,085,273	12,085,273	-
Fines and licenses	480,000	480,000	501,878	21,878
Charges for services:				
Client fees	2,250,000	2,250,000	1,695,488	(554,512)
Child center fees	1,000	1,000	-	(1,000)
Other	4,000	4,000	25,952	21,952
Total charges for services	<u>2,255,000</u>	<u>2,255,000</u>	<u>1,721,440</u>	<u>(533,560)</u>
Interdepartmental revenues	31,442	31,442	44,176	12,734
Miscellaneous revenues:				
SSI/SS collections	617,848	617,848	907,052	289,204
State - collections	100,000	100,000	75,721	(24,279)
Recoveries/refunds	55,000	55,000	228,938	173,938
Donations	2,000	2,000	4,067	2,067
Other	752,900	752,900	719,465	(33,435)
Total miscellaneous revenues	<u>1,527,748</u>	<u>1,527,748</u>	<u>1,935,243</u>	<u>407,495</u>
Total revenues	<u>39,169,282</u>	<u>39,211,482</u>	<u>37,895,503</u>	<u>(1,315,979)</u>
EXPENDITURES				
Health and human services:				
Salaries	12,765,131	12,689,166	12,694,467	(5,301)
Employee benefits	4,975,100	4,961,465	4,938,859	22,606
Operating	1,295,422	1,311,786	1,210,560	101,226
Purchased services - contracted	9,547,839	9,581,739	9,986,480	(404,741)
Purchased services - client services	4,872,435	4,872,435	3,219,455	1,652,980
Purchased services - aid for dependent children	2,500,672	2,500,672	2,483,728	16,944
Purchased services - general assistance	167,560	167,560	196,063	(28,503)
Purchased services - day care	219,200	219,200	186,250	32,950
Purchased services - other	1,884,651	1,903,288	1,762,787	140,501
Interdepartmental charges	1,396,922	1,396,922	1,371,455	25,467
Total expenditures	<u>39,624,932</u>	<u>39,604,233</u>	<u>38,050,104</u>	<u>1,554,129</u>
Excess of Revenues Over (Under) Expenditures	(455,650)	(392,751)	(154,601)	238,150

(CONTINUED)

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - HUMAN SERVICES FUND
For The Year Ended December 31, 2005

	Original Budget	Final Budget	Actual Amount	Variance from Final Budget
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ -	\$ -	\$ (89,600)	\$ (89,600)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(89,600)</u>	<u>(89,600)</u>
Net change in fund balances	(455,650)	(392,751)	(244,201)	148,550
Fund Balance - January 1	<u>1,252,431</u>	<u>1,252,431</u>	<u>1,252,431</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 796,781</u>	<u>\$ 859,680</u>	<u>\$ 1,008,230</u>	<u>\$ 148,550</u>

(CONCLUDED)

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - LONG TERM CARE FUND
For The Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
REVENUES				
Intergovernmental contracts/grants:				
State - community options	\$ 3,742,416	\$ 3,742,416	\$ 3,877,892	\$ 135,476
State - community integration	20,360,691	20,360,691	20,182,934	(177,757)
State - human services allocation	3,066,766	3,066,766	2,412,024	(654,742)
State - other	5,332,076	5,332,076	1,707,540	(3,624,536)
Total intergovernmental contracts/grants	<u>32,501,949</u>	<u>32,501,949</u>	<u>28,180,390</u>	<u>(4,321,559)</u>
Taxes	1,782,051	1,782,051	1,782,051	-
Charges for services:				
Client fees	<u>452,275</u>	<u>452,275</u>	<u>501,234</u>	<u>48,959</u>
Total charges for services	<u>452,275</u>	<u>452,275</u>	<u>501,234</u>	<u>48,959</u>
Miscellaneous revenues:				
SSI collections	2,060,310	2,060,310	2,154,250	93,940
Recoveries/refunds	99,600	99,600	285,826	186,226
Other	-	-	238	238
Total miscellaneous revenues	<u>2,159,910</u>	<u>2,159,910</u>	<u>2,440,314</u>	<u>280,404</u>
Total revenues	<u>36,896,185</u>	<u>36,896,185</u>	<u>32,903,989</u>	<u>(3,992,196)</u>
EXPENDITURES				
Health and human services:				
Salaries	1,827,371	1,788,671	1,768,776	19,895
Employee benefits	658,090	642,320	637,413	4,907
Operating expenses	49,215	49,215	47,074	2,141
Purchased services - contracted	5,065,539	5,065,539	4,893,987	171,552
Purchased services - client services	25,604,491	25,499,491	25,190,318	309,173
Purchased services - other	3,661,365	3,661,365	967	3,660,398
Interdepartmental charges	230,114	230,114	216,087	14,027
Total expenditures	<u>37,096,185</u>	<u>36,936,715</u>	<u>32,754,622</u>	<u>4,182,093</u>
Excess of Revenues Over (Under) Expenditures	(200,000)	(40,530)	149,367	189,897
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (159,470)</u>	<u>\$ (159,470)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(159,470)</u>	<u>(159,470)</u>
Net change in fund balances	(200,000)	(40,530)	(10,103)	30,427
Fund Balance - January 1	<u>2,028,485</u>	<u>2,028,485</u>	<u>2,028,485</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 1,828,485</u>	<u>\$ 1,987,955</u>	<u>\$ 2,018,382</u>	<u>\$ 30,427</u>

WAUKESHA COUNTY, WISCONSIN

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2005

BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles on the modified accrual basis of accounting.

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SUPPLEMENTARY INFORMATION

WAUKESHA COUNTY, WISCONSIN

COMBINING BALANCE SHEET -
ALL NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2005

	Special Revenue Funds	Capital Projects Funds	Total Non-Major Governmental Funds
ASSETS			
Cash and investments	\$ 7,995,244	\$ 24,921,642	\$ 32,916,886
Receivables:			
Property taxes levied for ensuing year's budget	6,906,030	4,083,100	10,989,130
Accounts	241,595	-	241,595
Total Receivables - Net	<u>7,147,625</u>	<u>4,083,100</u>	<u>11,230,725</u>
Due from other governments	2,034,773	3,533	2,038,306
Inventories	87,439	-	87,439
Prepaid items	200	-	200
Long term receivable	3,452,619	892,392	4,345,011
Total assets	<u><u>\$ 20,717,900</u></u>	<u><u>\$ 29,900,667</u></u>	<u><u>\$ 50,618,567</u></u>
LIABILITIES			
Vouchers payable	\$ 1,099,666	\$ 2,160,429	\$ 3,260,095
Accrued compensation	12,067	-	12,067
Other liabilities	195,572	-	195,572
Due to other governments	36,168	-	36,168
Due to other funds	43,948	-	43,948
Deferred property tax revenue	6,906,030	4,083,100	10,989,130
Other deferred revenue	4,189,341	892,392	5,081,733
Advances from other funds	-	1,797,685	1,797,685
Total liabilities	<u><u>12,482,792</u></u>	<u><u>8,933,606</u></u>	<u><u>21,416,398</u></u>
FUND BALANCES			
Reserved for inventories	87,439	-	87,439
Reserved for prepaid items	200	-	200
Reserved for capital projects	-	10,828,483	10,828,483
Reserved for park purposes	4,366,904	-	4,366,904
Unreserved:			
Designated for capital projects	-	10,138,578	10,138,578
Designated for subsequent year's expenditures	3,406,338	-	3,406,338
Undesignated, reported in special revenue funds	374,227	-	374,227
Total fund balances	<u><u>8,235,108</u></u>	<u><u>20,967,061</u></u>	<u><u>29,202,169</u></u>
Total liabilities and fund balances	<u><u>\$ 20,717,900</u></u>	<u><u>\$ 29,900,667</u></u>	<u><u>\$ 50,618,567</u></u>

WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NON-MAJOR GOVERNMENTAL FUNDS
For The Year Ended December 31, 2005

	Special Revenue Funds	Capital Projects Funds	Total Non-Major Governmental Funds
REVENUES			
General intergovernmental assistance	\$ 4,007,986	\$ -	\$ 4,007,986
Intergovernmental contracts/grants	10,774,074	4,502,144	15,276,218
Taxes	7,021,345	4,837,500	11,858,845
Charges for services	2,885,502	-	2,885,502
Interdepartmental revenues	322,433	-	322,433
Investment earnings	113,517	451,718	565,235
Miscellaneous revenues	2,320,226	312,609	2,632,835
Total revenues	27,445,083	10,103,971	37,549,054
EXPENDITURES			
Current:			
Health and human services	11,675,157	-	11,675,157
Environment, parks and education	4,773,732	-	4,773,732
Public works	9,575,489	-	9,575,489
Capital outlay:			
Environment, parks and education	1,615,928	594,735	2,210,663
Public works	37,039	24,205,099	24,242,138
General government	-	1,525,180	1,525,180
Total expenditures	27,677,345	26,325,014	54,002,359
Excess of Revenues Over (Under) Expenditures	(232,262)	(16,221,043)	(16,453,305)
OTHER FINANCING SOURCES (USES)			
General obligation notes issued	-	14,400,000	14,400,000
Transfers in	672,615	4,600,000	5,272,615
Transfers out	-	(1,600,000)	(1,600,000)
Total Other Financing Sources (Uses)	672,615	17,400,000	18,072,615
Net change in fund balances	440,353	1,178,957	1,619,310
Fund Balances - January 1 as restated	7,794,755	19,788,104	27,582,859
Fund Balances - December 31	\$ 8,235,108	\$ 20,967,061	\$ 29,202,169

NON-MAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds from specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specific purposes.

ELDERLY NUTRITION FUND - To account for federal and state funds that provide for nutrition programs.

WALTER TARMANN FUND - To account for funds provided for the purchase of future parkland acquisitions.

LAND INFORMATION SYSTEMS FUND – To account for funds provided to establish a county-wide, integrated approach to linking land parcel locations to digital mapping and databases containing property information through a computerized environment.

CHILD SUPPORT FUND - To account for County administration of child support programs supported by state, federal and county funding.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND - To account for federal funds provided to aid low income and other disadvantaged persons.

MENTAL HEALTH CENTER FUND - To account for funds provided for all services related to admissions for emergency and other psychiatric hospitalizations.

HIGHWAY OPERATIONS FUND - To account for funds needed to provide all services on the County trunk highway system and selected non-county roads, including planning, designing and construction.

SMITH PARK FUND - To account for the original bequest of funds provided for the maintenance of approximately 40 acres of public park land and one-quarter interest in a land contract. The accumulated funds shall be expended upon authority and direction of the Waukesha County Park and Planning Commission.

REUSS TRUST FUND - To account for the proceeds from donated land sold in 1988. The accumulated funds shall be expended upon authority and direction of the Waukesha County Park and Planning Commission.

FEDERATED LIBRARY FUND - To account for funds provided to maintain a member library system.

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WAUKESHA COUNTY, WISCONSIN
COMBINING BALANCE SHEET -
ALL NON-MAJOR SPECIAL REVENUE FUNDS
December 31, 2005

	Elderly Nutrition Fund	Walter Tarmann Fund	Land Information System Fund	Child Support Fund
ASSETS				
Cash and investments	\$ 48,777	\$ 2,920,764	\$ 1,401,793	\$ 179,143
Receivables:				
Property taxes levied for ensuing year's budget	184,187	-	-	209,952
Accounts	34,699	30,027	-	1,940
Total Receivables - Net	218,886	30,027	-	211,892
Due from other governments	205,405	-	-	92,101
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Long term receivable	-	-	-	-
Total assets	\$ 473,068	\$ 2,950,791	\$ 1,401,793	\$ 483,136
LIABILITIES				
Vouchers payable	\$ 114,184	\$ -	\$ 150,349	\$ 5,569
Accrued compensation	-	-	-	-
Other liabilities	10,899	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Deferred property tax revenue	184,187	-	-	209,952
Other deferred revenue	-	-	-	-
Total liabilities	309,270	-	150,349	215,521
FUND BALANCES				
Reserved for inventories	-	-	-	-
Reserved for prepaid items	-	-	-	-
Reserved for park purposes	-	2,950,791	1,251,444	-
Unreserved:				
Designated for subsequent year's expenditures	2,375	-	-	75,500
Undesignated	161,423	-	-	192,115
Total Fund Balances	163,798	2,950,791	1,251,444	267,615
Total Liabilities and Fund Balances	\$ 473,068	\$ 2,950,791	\$ 1,401,793	\$ 483,136

WAUKESHA COUNTY, WISCONSIN

COMBINING BALANCE SHEET -
ALL NON-MAJOR SPECIAL REVENUE FUNDS
December 31, 2005

Community Development Block Grant Fund	Mental Health Center Fund	Highway Operations Fund	Smith Park Fund	Reuss Trust Fund	Federated Library Fund	Total Non-Major Special Revenue Funds
\$ 1,984,969	\$ -	\$ 235,676	\$ 159,948	\$ 4,721	\$ 1,059,453	\$ 7,995,244
-	2,927,458	1,007,799	-	-	2,576,634	6,906,030
-	174,929	-	-	-	-	241,595
-	3,102,387	1,007,799	-	-	2,576,634	7,147,625
613,915	174,928	934,702	-	-	13,722	2,034,773
-	-	87,439	-	-	-	87,439
-	200	-	-	-	-	200
3,452,619	-	-	-	-	-	3,452,619
<u>\$ 6,051,503</u>	<u>\$ 3,277,515</u>	<u>\$ 2,265,616</u>	<u>\$ 159,948</u>	<u>\$ 4,721</u>	<u>\$ 3,649,809</u>	<u>\$ 20,717,900</u>
\$ 68,132	\$ 90,864	\$ 660,895	\$ -	\$ -	\$ 9,673	\$ 1,099,666
-	12,067	-	-	-	-	12,067
1,974	182,289	410	-	-	-	195,572
-	-	36,168	-	-	-	36,168
-	43,948	-	-	-	-	43,948
-	2,927,458	1,007,799	-	-	2,576,634	6,906,030
3,452,619	-	22,751	-	-	713,971	4,189,341
<u>3,522,725</u>	<u>3,256,626</u>	<u>1,728,023</u>	<u>-</u>	<u>-</u>	<u>3,300,278</u>	<u>12,482,792</u>
-	-	87,439	-	-	-	87,439
-	200	-	-	-	-	200
-	-	-	159,948	4,721	-	4,366,904
2,528,778	-	450,154	-	-	349,531	3,406,338
-	20,689	-	-	-	-	374,227
<u>2,528,778</u>	<u>20,889</u>	<u>537,593</u>	<u>159,948</u>	<u>4,721</u>	<u>349,531</u>	<u>8,235,108</u>
<u>\$ 6,051,503</u>	<u>\$ 3,277,515</u>	<u>\$ 2,265,616</u>	<u>\$ 159,948</u>	<u>\$ 4,721</u>	<u>\$ 3,649,809</u>	<u>\$ 20,717,900</u>

WAUKESHA COUNTY, WISCONSIN

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NON-MAJOR SPECIAL REVENUE FUNDS
For The Year Ended December 31, 2005**

	Elderly Nutrition Fund	Walter Tarmann Fund	Land Information System Fund	Child Support Fund
REVENUES				
General intergovernmental assistance	\$ -	\$ -	\$ -	\$ -
Intergovernmental contracts/grants	628,191	366,129	46,645	1,925,723
Taxes	175,587	-	-	168,052
Charges for services	-	-	555,799	49,710
Interdepartmental revenues	36,735	-	-	-
Investment earnings	-	85,577	-	-
Miscellaneous revenues	308,629	560,730	-	-
Total revenues	1,149,142	1,012,436	602,444	2,143,485
EXPENDITURES				
Current:				
Health and human services	1,074,394	-	-	2,126,764
Environment, parks and education	-	200,000	581,733	-
Public works	-	-	-	-
Capital outlay:				
Environment, parks and education	-	1,055,013	560,915	-
Public works	-	-	-	-
Total expenditures	1,074,394	1,255,013	1,142,648	2,126,764
Excess of Revenues Over (Under) Expenditures	74,748	(242,577)	(540,204)	16,721
OTHER FINANCING SOURCES (USES)				
Transfers in	-	178,545	-	-
Total other financing sources (uses)	-	178,545	-	-
Net change in fund balances	74,748	(64,032)	(540,204)	16,721
Fund Balances (Deficit) - January 1 as restated	89,050	3,014,823	1,791,648	250,894
Fund Balances - December 31	\$ 163,798	\$ 2,950,791	\$ 1,251,444	\$ 267,615

WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NON-MAJOR SPECIAL REVENUE FUNDS
For The Year Ended December 31, 2005

Community Development Block Grant Fund	Mental Health Center Fund	Highway Operations Fund	Smith Park Fund	Reuss Trust Fund	Federated Library Fund	Total Non-Major Special Revenue Funds
\$ -	\$ -	\$ 4,007,986	\$ -	\$ -	\$ -	\$ 4,007,986
3,018,137	99,563	3,472,967	-	-	1,216,719	10,774,074
-	2,671,022	1,265,298	-	-	2,741,386	7,021,345
-	1,969,130	310,863	-	-	-	2,885,502
-	-	285,698	-	-	-	322,433
-	-	-	5,012	140	22,788	113,517
1,274,992	54,569	121,306	-	-	-	2,320,226
4,293,129	4,794,284	9,464,118	5,012	140	3,980,893	27,445,083
3,568,864	4,905,135	-	-	-	-	11,675,157
-	-	-	-	-	3,991,999	4,773,732
-	-	9,575,489	-	-	-	9,575,489
-	-	-	-	-	-	1,615,928
-	-	37,039	-	-	-	37,039
3,568,864	4,905,135	9,612,528	-	-	3,991,999	27,677,345
724,265	(110,851)	(148,410)	5,012	140	(11,106)	(232,262)
-	249,070	245,000	-	-	-	672,615
-	249,070	245,000	-	-	-	672,615
724,265	138,219	96,590	5,012	140	(11,106)	440,353
1,804,513	(117,330)	441,003	154,936	4,581	360,637	7,794,755
\$ 2,528,778	\$ 20,889	\$ 537,593	\$ 159,948	\$ 4,721	\$ 349,531	\$ 8,235,108

WAUKESHA COUNTY, WISCONSIN

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - ELDERLY NUTRITION FUND
For The Year Ended December 31, 2005**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance from Final Budget</u>
REVENUES				
Intergovernmental contracts/grants:				
Nutrition	\$ 362,067	\$ 362,067	\$ 362,215	\$ 148
Home Meals	159,521	159,521	167,307	7,786
U.S. Department of Aging - Meals	82,356	82,356	89,427	7,071
Other State Aid	9,242	9,242	9,242	-
Total Intergovernmental contracts/grants	<u>613,186</u>	<u>613,186</u>	<u>628,191</u>	<u>15,005</u>
Taxes	175,587	175,587	175,587	-
Interdepartmental revenues	44,167	44,167	36,735	(7,432)
Miscellaneous revenues:				
Donations	274,173	274,173	269,744	(4,429)
Other	31,228	36,003	38,885	2,882
Total Miscellaneous Revenues	<u>305,401</u>	<u>310,176</u>	<u>308,629</u>	<u>(1,547)</u>
Total revenues	<u>1,138,341</u>	<u>1,143,116</u>	<u>1,149,142</u>	<u>6,026</u>
EXPENDITURES				
Health and human services:				
Salaries	326,535	326,535	321,890	4,645
Employee benefits	105,214	105,214	104,319	895
Operating	75,253	82,975	81,594	1,381
Purchase of services:				
Food service	603,582	603,582	531,043	72,539
Other	2,007	6,284	4,938	1,346
Interdepartmental charges	32,225	32,225	30,610	1,615
Total expenditures	<u>1,144,816</u>	<u>1,156,815</u>	<u>1,074,394</u>	<u>82,421</u>
Excess of Revenues Over (Under) Expenditures	(6,475)	(13,699)	74,748	88,447
Fund Balance - January 1	<u>89,050</u>	<u>89,050</u>	<u>89,050</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 82,575</u>	<u>\$ 75,351</u>	<u>\$ 163,798</u>	<u>\$ 88,447</u>

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - WALTER TARMANN FUND
For The Year Ended December 31, 2005

	Original Budget	Final Budget	Actual Amount	Variance from Final Budget
REVENUES				
Intergovernmental contracts/grants	\$ 375,000	\$ 375,000	\$ 366,129	\$ (8,871)
Investment earnings	100,000	100,000	85,577	(14,423)
Miscellaneous revenues:				
Donations	-	-	6,708	6,708
Landfill siting revenues	300,000	300,000	552,940	252,940
Miscellaneous revenues	25,000	25,000	1,082	(23,918)
Total Miscellaneous Revenues	325,000	325,000	560,730	235,730
Total revenues	800,000	800,000	1,012,436	212,436
EXPENDITURES				
Environment, parks and education:				
Purchased services	5,000	205,000	200,000	5,000
Capital outlay	1,495,000	1,295,000	1,055,013	239,987
Total expenditures	1,500,000	1,500,000	1,255,013	244,987
Excess of Revenues Over (Under) Expenditures	(700,000)	(700,000)	(242,577)	457,423
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	178,545	178,545
Total other financing sources (uses)	-	-	178,545	178,545
Net change in fund balances	(700,000)	(700,000)	(64,032)	635,968
Fund Balance - January 1	3,014,823	3,014,823	3,014,823	-
Fund Balance - December 31	\$ 2,314,823	\$ 2,314,823	\$ 2,950,791	\$ 635,968

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - LAND INFORMATION SYSTEMS FUND
For The Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
REVENUES				
Intergovernmental contracts/grants	\$ -	\$ 50,000	\$ 46,645	\$ (3,355)
Charges for services	560,521	560,521	555,799	(4,722)
Total revenues	<u>560,521</u>	<u>610,521</u>	<u>602,444</u>	<u>(8,077)</u>
EXPENDITURES				
Environment, parks and education:				
Salaries	191,008	191,008	195,133	(4,125)
Employee benefits	64,859	64,859	53,735	11,124
Operating	52,100	56,795	61,634	(4,839)
Purchase of services	208,890	329,085	228,630	100,455
Interdepartmental charges	43,664	43,664	42,601	1,063
Capital outlay	800,000	800,000	560,915	239,085
Total expenditures	<u>1,360,521</u>	<u>1,485,411</u>	<u>1,142,648</u>	<u>342,763</u>
Excess of Revenues Over (Under) Expenditures	(800,000)	(874,890)	(540,204)	334,686
Fund Balance - January 1	1,791,648	1,791,648	1,791,648	-
Fund Balance - December 31	<u>\$ 991,648</u>	<u>\$ 916,758</u>	<u>\$ 1,251,444</u>	<u>\$ 334,686</u>

WAUKESHA COUNTY, WISCONSIN

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CHILD SUPPORT FUND
For The Year Ended December 31, 2005**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance from Final Budget</u>
REVENUES				
Intergovernmental contracts/grants:				
State aid - IVD funding	\$ 1,777,593	\$ 1,777,593	\$ 1,821,908	\$ 44,315
State aid - IVD incentives	87,000	87,000	103,815	16,815
Total Intergovernmental contracts/grants	<u>1,864,593</u>	<u>1,864,593</u>	<u>1,925,723</u>	<u>61,130</u>
Taxes	168,052	168,052	168,052	-
Charges for services				
Client fees	25,000	25,000	46,679	21,679
Other	1,300	1,300	3,031	1,731
Total Charges for services	<u>26,300</u>	<u>26,300</u>	<u>49,710</u>	<u>23,410</u>
Total revenues	<u>2,058,945</u>	<u>2,058,945</u>	<u>2,143,485</u>	<u>84,540</u>
EXPENDITURES				
Health and human services:				
Salaries	1,295,137	1,295,137	1,274,991	20,146
Employee benefits	510,413	520,413	535,629	(15,216)
Operating	44,600	39,600	30,981	8,619
Purchase of services	137,500	137,500	128,949	8,551
Interdepartmental charges	170,823	165,823	156,214	9,609
Total expenditures	<u>2,158,473</u>	<u>2,158,473</u>	<u>2,126,764</u>	<u>31,709</u>
Excess of Revenues Over (Under) Expenditures	(99,528)	(99,528)	16,721	116,249
Fund Balance - January 1	<u>250,894</u>	<u>250,894</u>	<u>250,894</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 151,366</u>	<u>\$ 151,366</u>	<u>\$ 267,615</u>	<u>\$ 116,249</u>

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT BLOCK GRANT FUND
For The Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
REVENUES				
Intergovernmental contracts/grants	\$ 3,500,000	\$ 6,083,080	\$ 3,018,137	\$ (3,064,943)
Miscellaneous revenues	1,230,000	3,067,785	1,274,992	(1,792,793)
Total revenues	<u>4,730,000</u>	<u>9,150,865</u>	<u>4,293,129</u>	<u>(4,857,736)</u>
EXPENDITURES				
Health and human services:				
Salaries	121,809	121,809	121,070	739
Employee benefits	51,560	51,560	50,455	1,105
Operating	8,420	82,580	11,098	71,482
Purchase of services	4,478,750	8,821,455	3,313,330	5,508,125
Interdepartmental charges	69,461	73,461	72,911	550
Total expenditures	<u>4,730,000</u>	<u>9,150,865</u>	<u>3,568,864</u>	<u>5,582,001</u>
Excess of Revenues Over (Under) Expenditures	-	-	724,265	724,265
Fund Balance - January 1	<u>1,804,513</u>	<u>1,804,513</u>	<u>1,804,513</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 1,804,513</u>	<u>\$ 1,804,513</u>	<u>\$ 2,528,778</u>	<u>\$ 724,265</u>

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MENTAL HEALTH CENTER FUND
For The Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance from Final Budget</u>
REVENUES				
Intergovernmental contracts/grants:				
State - human services allocation	\$ -	\$ -	\$ 99,563	\$ 99,563
Taxes	2,671,022	2,671,022	2,671,022	-
Charges for services:				
Client fees	2,037,300	2,037,300	1,960,936	(76,364)
Other	7,000	7,000	8,194	1,194
Total Charges for Services	<u>2,044,300</u>	<u>2,044,300</u>	<u>1,969,130</u>	<u>(75,170)</u>
Miscellaneous revenues	-	-	54,569	54,569
Total revenues	<u>4,715,322</u>	<u>4,715,322</u>	<u>4,794,284</u>	<u>78,962</u>
EXPENDITURES				
Health and human services:				
Salaries	2,336,347	2,509,886	2,489,819	20,067
Employee benefits	788,203	818,734	805,518	13,216
Operating	366,543	390,692	364,885	25,807
Purchase of services:				
Medical services	384,080	424,080	391,188	32,892
Other	239,651	239,651	270,936	(31,285)
Interdepartmental charges	600,498	605,498	582,789	22,709
Total expenditures	<u>4,715,322</u>	<u>4,988,541</u>	<u>4,905,135</u>	<u>83,406</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>(273,219)</u>	<u>(110,851)</u>	<u>162,368</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	249,070	249,070
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>249,070</u>	<u>249,070</u>
Net change in fund balances	<u>-</u>	<u>(273,219)</u>	<u>138,219</u>	<u>411,438</u>
Fund Balance (Deficit) - January 1	<u>(117,330)</u>	<u>(117,330)</u>	<u>(117,330)</u>	<u>-</u>
Fund Balance (Deficit) - December 31	<u>\$ (117,330)</u>	<u>\$ (390,549)</u>	<u>\$ 20,889</u>	<u>\$ 411,438</u>

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - HIGHWAY OPERATIONS FUND
For The Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
REVENUES				
General intergovernmental assistance	\$ 4,007,986	\$ 4,007,986	\$ 4,007,986	\$ -
Intergovernmental contracts/grants	3,319,842	3,559,842	3,472,967	(86,875)
Taxes	1,265,298	1,265,298	1,265,298	-
Charges for services	170,000	305,000	310,863	5,863
Interdepartmental revenues	285,826	285,826	285,698	(128)
Miscellaneous revenues	6,000	6,000	121,306	115,306
Total revenues	<u>9,054,952</u>	<u>9,429,952</u>	<u>9,464,118</u>	<u>34,166</u>
EXPENDITURES				
Public works:				
Salaries	2,858,472	3,018,472	3,006,215	12,257
Employee benefits	1,358,201	1,383,201	1,380,957	2,244
Operating	1,175,500	1,430,500	1,478,919	(48,419)
Purchase of services	833,089	958,089	889,459	68,630
Interdepartmental charges	2,789,690	2,844,690	2,819,939	24,751
Capital outlay	40,000	40,000	37,039	2,961
Total expenditures	<u>9,054,952</u>	<u>9,674,952</u>	<u>9,612,528</u>	<u>62,424</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>(245,000)</u>	<u>(148,410)</u>	<u>96,590</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	-	-	245,000	245,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>245,000</u>	<u>245,000</u>
Net change in fund balances	<u>-</u>	<u>(245,000)</u>	<u>96,590</u>	<u>341,590</u>
Fund Balance - January 1 as restated	441,003	441,003	441,003	-
Fund Balance - December 31	<u>\$ 441,003</u>	<u>\$ 196,003</u>	<u>\$ 537,593</u>	<u>\$ 341,590</u>

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - SMITH PARK FUND
For The Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
REVENUES				
Investment earnings	\$ -	\$ -	\$ 5,012	\$ 5,012
Total revenues	<u>-</u>	<u>-</u>	<u>5,012</u>	<u>5,012</u>
EXPENDITURES				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	-	-	5,012	5,012
Fund Balance - January 1	<u>154,936</u>	<u>154,936</u>	<u>154,936</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 154,936</u>	<u>\$ 154,936</u>	<u>\$ 159,948</u>	<u>\$ 5,012</u>

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - REUSS TRUST FUND
For The Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
REVENUES				
Investment earnings	\$ -	\$ -	\$ 140	\$ 140
Total revenues	<u>-</u>	<u>-</u>	<u>140</u>	<u>140</u>
EXPENDITURES				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	-	-	140	140
Fund Balance - January 1	<u>4,581</u>	<u>4,581</u>	<u>4,581</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 4,581</u>	<u>\$ 4,581</u>	<u>\$ 4,721</u>	<u>\$ 140</u>

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - FEDERATED LIBRARY FUND
For The Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance from Final Budget</u>
REVENUES				
Intergovernmental contracts/grants	\$ 1,085,507	\$ 1,203,857	\$ 1,216,719	\$ 12,862
Taxes	2,741,386	2,741,386	2,741,386	-
Investment earnings	27,000	27,000	22,788	(4,212)
Miscellaneous revenues	2,000	2,000	-	(2,000)
Total revenues	<u>3,855,893</u>	<u>3,974,243</u>	<u>3,980,893</u>	<u>6,650</u>
EXPENDITURES				
Environment, parks and education:				
Salaries	380,373	380,373	378,252	2,121
Employee benefits	117,652	117,652	117,170	482
Operating	133,435	133,435	122,750	10,685
Purchase of services:				
State grant program	295,912	532,337	459,759	72,578
County program	2,741,386	2,741,386	2,741,386	-
Other	112,171	112,171	100,740	11,431
Interdepartmental charges	74,964	74,964	71,942	3,022
Total expenditures	<u>3,855,893</u>	<u>4,092,318</u>	<u>3,991,999</u>	<u>100,319</u>
Excess of Revenues Over (Under) Expenditures	-	(118,075)	(11,106)	106,969
Fund Balance - January 1	<u>360,637</u>	<u>360,637</u>	<u>360,637</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 360,637</u>	<u>\$ 242,562</u>	<u>\$ 349,531</u>	<u>\$ 106,969</u>

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DEBT SERVICE FUND

The debt service fund is used to account for the accumulation of resources for the payment of general long-term debt principal, interest and service costs.

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE FUND
For The Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
REVENUES				
Taxes	\$ 10,936,251	\$ 10,936,251	\$ 10,936,251	\$ -
Investment earnings	-	-	295,076	295,076
Total revenues	<u>10,936,251</u>	<u>10,936,251</u>	<u>11,231,327</u>	<u>295,076</u>
EXPENDITURES				
Debt Service:				
Principal retirement	8,715,000	8,715,000	8,715,000	-
Interest and fiscal charges	3,371,251	3,371,251	3,002,020	369,231
Total expenditures	<u>12,086,251</u>	<u>12,086,251</u>	<u>11,717,020</u>	<u>369,231</u>
Excess of Revenues Over (Under) Expenditures	(1,150,000)	(1,150,000)	(485,693)	664,307
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	500,000	500,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>500,000</u>
Net change in fund balances	(1,150,000)	(1,150,000)	14,307	1,164,307
Fund Balance - January 1	<u>3,003,461</u>	<u>3,003,461</u>	<u>3,003,461</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 1,853,461</u>	<u>\$ 1,853,461</u>	<u>\$ 3,017,768</u>	<u>\$ 1,164,307</u>

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NON-MAJOR CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

1998 CAPITAL PROJECTS FUND - To account for the financing and construction of the Central Fleet Facility, UW-W Fieldhouse Renovation, Sheriff property remodeling projects, Courthouse 2nd/3rd floor; sound system update, business application system development, network expansion, IJIS computing upgrade, electronic retention system, Health and Human Services system development, Airport taxiways and hangar improvements, Foxbrook Park development, Fox River Park development, pavement management plan implementation, twenty four Highway construction projects.

1999 CAPITAL PROJECTS FUND - To account for the financing and construction of the UW-W Fieldhouse Renovation, Courthouse 2nd/3rd floor, sound system upgrade, County-wide Trunk Radio upgrade, tax reporting conversion, justice system redevelopment, office automation software, Information Systems infrastructure development, Health and Human Services system development, GEO-processing development, topographical map conversion, Airport taxiways and hangar improvements, Foxbrook Park development, pavement management plan implementation, park land acquisitions and developments, and twenty-nine Highway construction projects.

2000 CAPITAL PROJECTS FUND – To account for the financing and construction of the UW-W Fieldhouse renovation, Courthouse 2nd/3rd floor remodeling, Courthouse electric distribution system and chiller replacement, Courthouse courtroom and hearing room remodeling, County-wide Trunk Radio upgrade, justice system software redevelopment, office automation software, Information Systems infrastructure development, tax reporting conversion, replacement of Airport T-Hangar doors, and twenty-three Highway construction projects.

2001 CAPITAL PROJECTS FUND – To account for the financing and construction of a business incubator at the Northview Building, Courthouse electric distribution system and chiller replacement, Courthouse 2nd/3rd floor remodeling, Courthouse courtroom and hearing room remodeling, County-wide Trunk Radio upgrade, Information Systems infrastructure development, Health and Human Services and Justice information systems development, land information systems development, development of Fox River Park, extension of the Lake County Recreation Trail, and twenty-four Highway construction projects.

2002 CAPITAL PROJECTS FUND – To account for the financing and construction of a new roof at the Northview, Courthouse chiller replacement, Courthouse 2nd/3rd floor remodeling, plan development and land acquisition as part of a County Grounds Master Plan, architectural and design work for a new Justice Facility, development of Fox River Park, replacement of internet/intranet computer infrastructure, electronic document management system, an upgrade for the County's payroll system, startup/design costs for a new Shared Dispatch Facility, and nineteen Highway construction projects.

2003 CAPITAL PROJECTS FUND – To account for the financing and construction of an expansion of the Retzer Nature center, renovation of Southview Hall at UW-W, phase I of the justice facility project, construction of the new Shared Dispatch Facility, replacement of the boiler at Northview, an energy management system at the Human Services center, phase II of the Southeast Hangar area at the County's airport, implementation of a pavement management plan, replacement of the tax records system, an electronic document management system, replacement of internet/intranet infrastructure, upgrades to the human resources/payroll system, installation of fiber optic cable at the County campus, a telecommunications system, twelve Highway construction projects and other miscellaneous projects.

2004 CAPITAL PROJECTS FUND – To account for the financing and construction of phase I of the justice facility project, construction of the new Shared Dispatch Facility, replacement of the boiler at Northview and demolition of a portion of the building, renovation of Northview Hall at UW-W, an electronic document management system, upgrades to the County's collection system, upgrades to the County's data processing infrastructure, installation of fiber optic cable at the County campus, a County-wide cashiering system system, fourteen Highway construction projects and other miscellaneous projects.

2005 CAPITAL PROJECTS FUND – To account for the financing and construction of phase I of the justice facility project, renovation of Northview Hall at UW-W, orthophotography imaging, bicycle pathway improvements, an upgrade to the mobile data infrastructure, an upgrade of the office software suite, phase II of the Courthouse/Court Room remodeling, eight Highway construction projects and other miscellaneous projects.

2006 CAPITAL PROJECTS FUND – To account for the financing of the renovation of Northview Hall at UW-W, expo center maintenance projects, bicycle pathway improvements, an upgrade to the mobile data infrastructure, a telecommunications system, a County-wide cashiering system, development of a fiber optic/wireless infrastructure, the re-engineering of information systems infrastructure, eleven Highway construction projects and other miscellaneous projects.

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WAUKESHA COUNTY, WISCONSIN
 COMBINING BALANCE SHEET -
 ALL NON-MAJOR CAPITAL PROJECTS FUNDS
 December 31, 2005

	1998 Capital Projects Fund	1999 Capital Projects Fund	2000 Capital Projects Fund	2001 Capital Projects Fund
ASSETS				
Cash and investments	\$ 583,442	\$ 1,581,749	\$ 279,856	\$ 5,516,285
Property taxes levied for ensuing year's budget	-	-	-	-
Due from other governments	-	-	-	-
Long term receivable	-	-	-	-
Total assets	\$ 583,442	\$ 1,581,749	\$ 279,856	\$ 5,516,285
LIABILITIES				
Vouchers payable	\$ -	\$ -	\$ -	\$ 19,046
Deferred property tax revenue	-	-	-	-
Other deferred revenue	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	-	-	-	19,046
FUND BALANCES				
Reserved for capital projects	359	175	67,044	712,090
Unreserved:				
Designated for capital projects	583,083	1,581,574	212,812	4,785,149
Total fund balances	583,442	1,581,749	279,856	5,497,239
Total liabilities and fund balances	\$ 583,442	\$ 1,581,749	\$ 279,856	\$ 5,516,285

WAUKESHA COUNTY, WISCONSIN

COMBINING BALANCE SHEET -
ALL NON-MAJOR CAPITAL PROJECTS FUNDS
December 31, 2005

2002 Capital Projects Fund	2003 Capital Projects Fund	2004 Capital Projects Fund	2005 Capital Projects Fund	2006 Capital Projects Fund	Total Non-Major Capital Projects Funds
\$ 3,014,668	\$ 2,126,973	\$ 2,994,715	\$ 8,823,954	\$ -	\$ 24,921,642
-	-	-	-	4,083,100	4,083,100
-	3,533	-	-	-	3,533
-	892,392	-	-	-	892,392
<u>\$ 3,014,668</u>	<u>\$ 3,022,898</u>	<u>\$ 2,994,715</u>	<u>\$ 8,823,954</u>	<u>\$ 4,083,100</u>	<u>\$ 29,900,667</u>
\$ 216,195	\$ 251,493	\$ 111,814	\$ 1,561,881	\$ -	\$ 2,160,429
-	-	-	-	4,083,100	4,083,100
-	892,392	-	-	-	892,392
-	1,797,685	-	-	-	1,797,685
<u>216,195</u>	<u>2,941,570</u>	<u>111,814</u>	<u>1,561,881</u>	<u>4,083,100</u>	<u>8,933,606</u>
592,844	81,328	2,112,570	7,262,073	-	10,828,483
2,205,629	-	770,331	-	-	10,138,578
<u>2,798,473</u>	<u>81,328</u>	<u>2,882,901</u>	<u>7,262,073</u>	<u>-</u>	<u>20,967,061</u>
<u>\$ 3,014,668</u>	<u>\$ 3,022,898</u>	<u>\$ 2,994,715</u>	<u>\$ 8,823,954</u>	<u>\$ 4,083,100</u>	<u>\$ 29,900,667</u>

WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR CAPITAL PROJECTS FUNDS

For The Year Ended December 31, 2005

	1998 Capital Projects Fund	1999 Capital Projects Fund	2000 Capital Projects Fund
REVENUES			
Intergovernmental contracts/grants	\$ -	\$ -	\$ -
Taxes	-	-	-
Investment earnings	-	-	-
Miscellaneous revenues	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Capital outlay:			
Environment, parks and education	-	2,000	-
Public works	693	-	111,562
General government	29,913	2,871	3,920
Total expenditures	<u>30,606</u>	<u>4,871</u>	<u>115,482</u>
Excess of Revenues (Under) Expenditures	<u>(30,606)</u>	<u>(4,871)</u>	<u>(115,482)</u>
OTHER FINANCING SOURCES (USES)			
General obligation notes issued	-	-	-
Transfers in	-	-	-
Transfers out	(1,600,000)	-	-
Total other financing sources (uses)	<u>(1,600,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,630,606)	(4,871)	(115,482)
Fund Balances - January 1	2,214,048	1,586,620	395,338
Fund Balances - December 31	<u><u>\$ 583,442</u></u>	<u><u>\$ 1,581,749</u></u>	<u><u>\$ 279,856</u></u>

WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR CAPITAL PROJECTS FUNDS

For The Year Ended December 31, 2005

2001 Capital Projects Fund	2002 Capital Projects Fund	2003 Capital Projects Fund	2004 Capital Projects Fund	2005 Capital Projects Fund	Total Non-Major Capital Projects Funds
\$ -	\$ -	\$ 1,082,412	\$ -	\$ 3,419,732	\$ 4,502,144
-	-	-	-	4,837,500	4,837,500
-	-	17,231	207,581	226,906	451,718
-	-	11,400	161,414	139,795	312,609
-	-	<u>1,111,043</u>	<u>368,995</u>	<u>8,623,933</u>	<u>10,103,971</u>
287,465	219	25,663	279,388	-	594,735
131,539	408,075	1,231,840	2,096,387	20,225,003	24,205,099
55,568	51,968	684,763	559,320	136,857	1,525,180
<u>474,572</u>	<u>460,262</u>	<u>1,942,266</u>	<u>2,935,095</u>	<u>20,361,860</u>	<u>26,325,014</u>
(474,572)	(460,262)	(831,223)	(2,566,100)	(11,737,927)	(16,221,043)
-	-	-	-	14,400,000	14,400,000
-	-	-	-	4,600,000	4,600,000
-	-	-	-	-	(1,600,000)
-	-	-	-	<u>19,000,000</u>	<u>17,400,000</u>
(474,572)	(460,262)	(831,223)	(2,566,100)	7,262,073	1,178,957
5,971,811	3,258,735	912,551	5,449,001	-	19,788,104
<u>\$ 5,497,239</u>	<u>\$ 2,798,473</u>	<u>\$ 81,328</u>	<u>\$ 2,882,901</u>	<u>\$ 7,262,073</u>	<u>\$ 20,967,061</u>

WAUKESHA COUNTY, WISCONSIN

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - 1998 CAPITAL PROJECTS FUND
For The Year Ended December 31, 2005**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
REVENUES				
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES				
Capital outlay:				
Justice and law enforcement	-	359	-	359
Public works	-	13,331	693	12,638
General government	-	29,913	29,913	-
Total expenditures	<u>-</u>	<u>43,603</u>	<u>30,606</u>	<u>12,997</u>
Excess of Revenues Over (Under) Expenditures	-	(43,603)	(30,606)	12,997
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(1,600,000)	(1,600,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,600,000)</u>	<u>(1,600,000)</u>
Net change in fund balances	-	(43,603)	(1,630,606)	(1,587,003)
Fund Balance - January 1	2,214,048	2,214,048	2,214,048	-
Fund Balance - December 31	<u>\$ 2,214,048</u>	<u>\$ 2,170,445</u>	<u>\$ 583,442</u>	<u>\$ (1,587,003)</u>

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - 1999 CAPITAL PROJECTS FUND
For The Year Ended December 31, 2005

	Original Budget	Final Budget	Actual Amount	Variance from Final Budget
REVENUES				
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES				
Capital outlay:				
Environment, parks and education	-	2,000	2,000	-
Public works	-	175	-	175
General government	-	2,871	2,871	-
Total expenditures	<u>-</u>	<u>5,046</u>	<u>4,871</u>	<u>175</u>
Excess of Revenues Over (Under) Expenditures	-	(5,046)	(4,871)	175
Fund Balance - January 1	<u>1,586,620</u>	<u>1,586,620</u>	<u>1,586,620</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 1,586,620</u>	<u>\$ 1,581,574</u>	<u>\$ 1,581,749</u>	<u>\$ 175</u>

WAUKESHA COUNTY, WISCONSIN

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - 2000 CAPITAL PROJECTS FUND
For The Year Ended December 31, 2005**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
REVENUES				
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES				
Capital outlay:				
Public works	-	178,630	111,562	67,068
General government	-	3,920	3,920	-
Total expenditures	<u>-</u>	<u>182,550</u>	<u>115,482</u>	<u>67,068</u>
Excess of Revenues Over (Under) Expenditures	-	(182,550)	(115,482)	67,068
Fund Balance - January 1	<u>395,338</u>	<u>395,338</u>	<u>395,338</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 395,338</u>	<u>\$ 212,788</u>	<u>\$ 279,856</u>	<u>\$ 67,068</u>

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - 2001 CAPITAL PROJECTS FUND
For The Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
REVENUES				
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES				
Capital outlay:				
Environment, parks and education	-	446,567	287,465	159,102
Public works	-	649,396	131,539	517,857
General government	-	90,699	55,568	35,131
Total expenditures	<u>-</u>	<u>1,186,662</u>	<u>474,572</u>	<u>712,090</u>
Excess of Revenues Over (Under) Expenditures	-	(1,186,662)	(474,572)	712,090
Fund Balance - January 1	<u>5,971,811</u>	<u>5,971,811</u>	<u>5,971,811</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 5,971,811</u>	<u>\$ 4,785,149</u>	<u>\$ 5,497,239</u>	<u>\$ 712,090</u>

WAUKESHA COUNTY, WISCONSIN

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - 2002 CAPITAL PROJECTS FUND
For The Year Ended December 31, 2005**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
REVENUES				
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES				
Capital outlay:				
Environment, parks and education	-	283,186	219	282,967
Public works	-	735,985	408,075	327,910
General government	-	53,715	51,968	1,747
Total expenditures	<u>-</u>	<u>1,072,886</u>	<u>460,262</u>	<u>612,624</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>(1,072,886)</u>	<u>(460,262)</u>	<u>612,624</u>
Fund Balance - January 1	<u>3,258,735</u>	<u>3,258,735</u>	<u>3,258,735</u>	<u>-</u>
Fund Balance - December 31	<u>\$ 3,258,735</u>	<u>\$ 2,185,849</u>	<u>\$ 2,798,473</u>	<u>\$ 612,624</u>

WAUKESHA COUNTY, WISCONSIN

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - 2003 CAPITAL PROJECTS FUND
For The Year Ended December 31, 2005**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
REVENUES				
Intergovernmental contracts/grants	\$ -	\$ -	\$ 1,082,412	\$ 1,082,412
Investment earnings	-	-	17,231	17,231
Miscellaneous revenues	-	-	11,400	11,400
Total revenues	<u>-</u>	<u>-</u>	<u>1,111,043</u>	<u>1,111,043</u>
EXPENDITURES				
Capital outlay:				
Environment, parks and education	-	50,663	25,663	25,000
Public works	-	2,303,062	1,231,840	1,071,222
General government	-	1,445,670	684,763	760,907
Total expenditures	<u>-</u>	<u>3,799,395</u>	<u>1,942,266</u>	<u>1,857,129</u>
Excess of Revenues Over (Under) Expenditures	-	(3,799,395)	(831,223)	2,968,172
Fund Balance - January 1	<u>912,551</u>	<u>912,551</u>	<u>912,551</u>	<u>-</u>
Fund Balance - December 31	<u><u>\$ 912,551</u></u>	<u><u>\$ (2,886,844)</u></u>	<u><u>\$ 81,328</u></u>	<u><u>\$ 2,968,172</u></u>

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - 2004 CAPITAL PROJECTS FUND
For The Year Ended December 31, 2005

	Original Budget	Final Budget	Actual Amount	Variance from Final Budget
REVENUES				
Investment earnings	\$ -	\$ -	\$ 207,581	\$ 207,581
Miscellaneous revenues	-	-	161,414	161,414
Total revenues	<u>-</u>	<u>-</u>	<u>368,995</u>	<u>368,995</u>
EXPENDITURES				
Capital outlay:				
Environment, parks and education	-	334,502	279,388	55,114
Public works	-	4,361,102	2,096,387	2,264,715
General government	-	1,133,721	559,320	574,401
Total expenditures	<u>-</u>	<u>5,829,325</u>	<u>2,935,095</u>	<u>2,894,230</u>
Excess of Revenues Over (Under) Expenditures	-	(5,829,325)	(2,566,100)	3,263,225
Fund Balance - January 1	5,449,001	5,449,001	5,449,001	-
Fund Balance - December 31	<u>\$ 5,449,001</u>	<u>\$ (380,324)</u>	<u>\$ 2,882,901</u>	<u>\$ 3,263,225</u>

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - 2005 CAPITAL PROJECTS FUND
For The Year Ended December 31, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance from Final Budget</u>
REVENUES				
Intergovernmental contracts/grants	\$ 3,385,000	\$ 3,385,000	\$ 3,419,732	\$ 34,732
Taxes	4,837,500	4,837,500	4,837,500	-
Investment earnings	600,000	600,000	226,906	(373,094)
Miscellaneous revenues	-	-	139,795	139,795
Total revenues	<u>8,822,500</u>	<u>8,822,500</u>	<u>8,623,933</u>	<u>(198,567)</u>
EXPENDITURES				
Capital outlay:				
Environment, parks and education	1,037,500	1,037,500	-	1,037,500
Public works	24,965,000	25,315,000	20,225,003	5,089,997
General government	1,470,000	1,470,000	136,857	1,333,143
Total expenditures	<u>27,472,500</u>	<u>27,822,500</u>	<u>20,361,860</u>	<u>7,460,640</u>
Excess of Revenues Over (Under) Expenditures	<u>(18,650,000)</u>	<u>(19,000,000)</u>	<u>(11,737,927)</u>	<u>7,262,073</u>
OTHER FINANCING SOURCES (USES)				
General obligation notes issued	14,400,000	14,400,000	14,400,000	-
Transfers in	-	-	4,600,000	4,600,000
Total other financing sources (uses)	<u>14,400,000</u>	<u>14,400,000</u>	<u>19,000,000</u>	<u>4,600,000</u>
Net change in fund balances	<u>(4,250,000)</u>	<u>(4,600,000)</u>	<u>7,262,073</u>	<u>11,862,073</u>
Fund Balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - December 31	<u><u>\$ (4,250,000)</u></u>	<u><u>\$ (4,600,000)</u></u>	<u><u>\$ 7,262,073</u></u>	<u><u>\$ 11,862,073</u></u>

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NON-MAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered, primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

RADIO SERVICES FUND - To account for the operation and maintenance of the County radio system, located in Waukesha, Wisconsin.

GOLF COURSE FUND - To account for the operation and maintenance of three County golf courses, located in the north central, eastern and central sections of the County.

ICE ARENA FUND - To account for the operation and maintenance of two County ice rinks, located in the eastern and western sections of the County.

EXPOSITION CENTER FUND - To account for the operation and maintenance of the County convention and meeting facility.

MATERIALS RECOVERY FACILITY FUND - To account for the operation and maintenance of the County recycling facility, located in Waukesha, Wisconsin.

WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF NET ASSETS - ALL NON-MAJOR ENTERPRISE FUNDS
December 31, 2005

	Radio Services Fund	Golf Course Fund	Ice Arena Fund	Materials Recovery Facility Fund	Total Non-Major Enterprise Funds
ASSETS					
Current assets:					
Cash and investments	\$ 3,042,800	\$ 991,417	\$ 332,366	\$ 10,695,717	\$ 15,062,300
Receivables:					
Accounts	10,605	2,930	39,126	83,191	135,852
Total Receivables	10,605	2,930	39,126	83,191	135,852
Due from other governments	18,615	-	-	-	18,615
Prepaid Items	135,691	614	-	-	136,305
Inventories	-	174,707	6,518	-	181,225
Total current assets	3,207,711	1,169,668	378,010	10,778,908	15,534,297
Noncurrent assets:					
Advances to other funds	-	461,609	-	-	461,609
Long term receivable	2,271,326	-	-	-	2,271,326
Capital assets:					
Land	55,000	384,715	1,800,000	-	2,239,715
Buildings	522,562	2,453,720	4,952,913	1,971,286	9,900,481
Improvements other than buildings	-	2,442,348	496,960	-	2,939,308
Machinery and equipment	4,103,487	870,419	148,746	1,794,397	6,917,049
Construction in progress	538,778	30,637	-	-	569,415
Less accumulated depreciation	(2,384,651)	(2,714,184)	(2,106,642)	(2,219,459)	(9,424,936)
Total capital assets (net of accumulated depreciation)	2,835,176	3,467,655	5,291,977	1,546,224	13,141,032
Total noncurrent assets	5,106,502	3,929,264	5,291,977	1,546,224	15,873,967
Total assets	\$ 8,314,213	\$ 5,098,932	\$ 5,669,987	\$ 12,325,132	\$ 31,408,264
LIABILITIES					
Current liabilities:					
Vouchers payable	\$ 34,453	\$ 23,401	\$ 32,082	\$ 188,253	\$ 278,189
Accrued compensation	18,033	16,689	8,122	-	42,844
Other liabilities	-	-	20,510	-	20,510
Other deferred revenue	18,075	-	-	728,211	746,286
Total current liabilities	70,561	40,090	60,714	916,464	1,087,829
Noncurrent liabilities:					
Advances from other funds	2,845,514	-	2,209,417	-	5,054,931
Total noncurrent liabilities	2,845,514	-	2,209,417	-	5,054,931
Total liabilities	\$ 2,916,075	\$ 40,090	\$ 2,270,131	\$ 916,464	\$ 6,142,760
NET ASSETS					
Invested in capital assets	\$ 2,835,176	\$ 3,467,655	\$ 5,291,977	\$ 1,546,224	\$ 13,141,032
Unrestricted (deficit)	2,562,962	1,591,187	(1,892,121)	9,862,444	12,124,472
Total net assets	\$ 5,398,138	\$ 5,058,842	\$ 3,399,856	\$ 11,408,668	\$ 25,265,504

WAUKESHA COUNTY, WISCONSIN

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET ASSETS - ALL NON-MAJOR ENTERPRISE FUNDS**
For The Year Ended December 31, 2005

	Radio Services Fund	Golf Course Fund	Ice Arena Fund	Exposition Center Fund	Materials Recovery Facility Fund	Total Non-Major Enterprise Funds
OPERATING REVENUES						
Charges for services	\$ 573,783	\$ 3,143,569	\$ 896,627	\$ -	\$ 1,179,614	\$ 5,793,593
Interdepartmental revenues	423,363	-	-	-	-	423,363
Miscellaneous revenues	-	20,014	-	-	6,324	26,338
Total operating revenues	997,146	3,163,583	896,627	-	1,185,938	6,243,294
OPERATING EXPENSES						
Salaries	249,833	862,185	345,215	-	-	1,457,233
Benefits	103,897	231,509	88,363	-	-	423,769
Operating	171,529	809,990	275,957	-	71,766	1,329,242
Contracted services	4,559	71,392	39,009	-	1,225,058	1,340,018
Interdepartmental	193,622	895,662	142,128	-	141,552	1,372,964
Depreciation	442,641	233,917	225,661	-	192,201	1,094,420
Total operating expenses	1,166,081	3,104,655	1,116,333	-	1,630,577	7,017,646
Operating income (loss)	(168,935)	58,928	(219,706)	-	(444,639)	(774,352)
NONOPERATING REVENUES (EXPENSES)						
Intergovernmental contracts/grants	531,776	-	-	-	1,071,968	1,603,744
Investment earnings	117,101	-	12,812	-	72,064	201,977
Gain (loss) on disposal of capital assets	-	(314)	(2,400)	-	(216,987)	(219,701)
Total nonoperating revenues (expenses)	648,877	(314)	10,412	-	927,045	1,586,020
Income (loss) before transfers and contributions	479,942	58,614	(209,294)	-	482,406	811,668
Transfers in	-	-	-	68,875	-	68,875
Transfers out	-	(75,000)	-	(2,075,214)	-	(2,150,214)
Total transfers	-	(75,000)	-	(2,006,339)	-	(2,081,339)
Income (loss) before contributions	479,942	(16,386)	(209,294)	(2,006,339)	482,406	(1,269,671)
Capital contributions	-	-	(14,203)	-	-	(14,203)
Increase (decrease) in net assets	479,942	(16,386)	(223,497)	(2,006,339)	482,406	(1,283,874)
Net assets - January 1	4,918,196	5,075,228	3,623,353	2,006,339	10,926,262	26,549,378
Net assets - December 31	\$ 5,398,138	\$ 5,058,842	\$ 3,399,856	\$ -	\$ 11,408,668	\$ 25,265,504

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COMBINING STATEMENT OF CASH FLOWS - ALL NON-MAJOR ENTERPRISE FUNDS
For The Year Ended December 31, 2005

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WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF CASH FLOWS - ALL NON-MAJOR ENTERPRISE FUNDS
For The Year Ended December 31, 2005

	Radio Services Fund	Golf Course Fund	Ice Arena Fund	Exposition Center Fund	Materials Recovery Facility Fund	Total Non-Major Enterprise Funds
(Increase) Decrease in prepaid items	42,890	350	-	-	-	43,240
(Increase) Decrease in inventories	16,604	24,401	1,561	-	-	42,566
Increase (Decrease) in vouchers payable	10,925	7,813	3,456	(126,686)	77,085	(27,407)
Increase (Decrease) in accrued compensation	3,012	98	824	(8,492)	-	(4,558)
Increase (Decrease) in other liabilities	-	-	10,972	-	-	10,972
Increase (Decrease) in due to other governments	(30,731)	-	-	-	-	(30,731)
Increase (Decrease) in other deferred revenue	(33,105)	-	-	(28,217)	-	(61,322)
Net cash provided by operating activities	\$ 283,626	\$ 325,173	\$ 15,788	\$ (142,966)	\$ (59,764)	\$ 421,857

* There were \$312,281 of non-cash contributions of capital assets during the year.

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INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County or to other governments on a cost-reimbursement basis.

RISK MANAGEMENT / SELF INSURANCE FUND - To account for the costs associated with the investigation and/or payment of claims which are not covered under an insurance policy. Costs are billed to other County departments on a claims experience/exposure or an actual cost basis. This fund also accounts for funds invested in the Wisconsin Municipal Mutual Insurance Company (WMMIC). The County, together with certain other units of government within the State of Wisconsin, created WMMIC to provide general and police professional liability, errors and omissions and vehicle liability coverage for counties or cities in Wisconsin. In addition, the fund accounts for the costs associated with the investigation and/payment of Workmen's Compensation claims. Costs are billed to other County departments on a claims experience/exposure basis.

VEHICLE/EQUIPEMENT REPLACEMENT FUND - To account for the costs associated with the financing of vehicle/equipment replacements when the individual item's cost equals or exceeds \$7,500 and has a useful life of two or more years. Costs are billed to user departments based on the depreciable life of the asset.

CENTRAL FLEET MAINTENANCE FUND - To account for the costs associated with the maintenance and repair of all county-owned motorized equipment. Costs are billed to user departments based on actual cost.

RECORDS MANAGEMENT FUND - To account for the costs associated with the operation and maintenance of the County's central supply, printing, microfilming and mail room services. Costs are billed to user departments based on actual cost.

COMMUNICATIONS FUND - To account for the costs associated with the operation and maintenance of the County's telecommunication system. Costs are billed to user departments based on actual cost.

COLLECTIONS FUND - To account for costs associated with the collection of funds owed the County. Costs are billed to user departments based on actual costs.

END USER TECHNOLOGY FUND - To account for the costs associated with the financing and support of computer and copier equipment replacement when the individual item has a useful life of two or more years. Replacement costs are billed to user departments based on the depreciable life of the asset. Support costs are billed on the number of computers being used and the level of support

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WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF NET ASSETS - ALL INTERNAL SERVICE FUNDS
December 31, 2005

	Risk Management/ Self-Insurance Fund	Vehicle Replacement Fund	Central Fleet Maintenance Fund	Records Management Fund	Communications Fund	Collections Fund	End User Technology Fund	Total Internal Service Funds
ASSETS								
Current Assets:								
Cash and investments	\$ 3,830,017	\$ 1,849,746	\$ 417,300	\$ 1,538,736	\$ 716,807	\$ 1,617,899	\$ 4,519,772	\$ 14,490,277
Receivables:								
Property taxes levied for ensuing year's budget	-	-	-	-	-	-	269,836	269,836
Accounts	268,485	62,188	-	9,637	-	24,697	-	365,007
Total receivables	268,485	62,188	-	9,637	-	24,697	269,836	634,843
Due from other governments	31,723	-	-	16	31	33,167	-	64,937
Prepaid items	70,015	-	-	-	-	-	-	70,015
Inventories	-	-	350,325	3,056	4,617	-	-	357,998
Total current assets	4,200,240	1,911,934	767,625	1,551,445	721,455	1,675,763	4,789,608	15,618,070
Noncurrent Assets:								
Restricted cash and investments	390,097	-	-	-	-	-	-	390,097
Deposit in WMMIC	2,459,264	-	-	-	-	-	-	2,459,264
Capital assets:								
Buildings	-	-	4,122,283	-	-	-	-	4,122,283
Improvements	-	-	22,089	-	-	-	-	22,089
Machinery and equipment	12,156	5,459,781	501,270	1,863,555	147,951	100,886	3,014,952	11,100,551
Vehicles	-	9,377,860	-	-	-	-	-	9,377,860
Construction in progress	-	-	128,874	24,295	-	-	-	153,169
Less accumulated depreciation	(9,497)	(7,586,113)	(884,984)	(950,405)	(141,550)	(55,285)	(1,388,799)	(11,016,633)
Total capital assets (net of accumulated depreciation)	2,659	7,251,528	3,899,532	937,445	6,401	45,601	1,626,153	13,759,319
Total noncurrent assets	2,852,020	7,251,528	3,899,532	937,445	6,401	45,601	1,626,153	16,608,680
Total assets	\$ 7,052,260	\$ 9,163,462	\$ 4,657,157	\$ 2,488,890	\$ 727,856	\$ 1,721,364	\$ 6,415,761	\$ 32,226,750
LIABILITIES								
Current liabilities:								
Vouchers payable	\$ 119,865	\$ -	\$ 315,092	\$ 41,471	\$ 16,207	\$ 25,203	\$ 359,694	\$ 877,532
Accrued compensation	14,807	-	52,747	19,590	6,248	18,836	27,147	139,375
Other liabilities	-	-	-	-	-	108,268	-	108,268
Deferred property tax revenue	-	-	-	-	-	-	269,836	269,836
Total current liabilities	134,672	-	367,839	61,061	22,455	152,307	656,677	1,395,011
Noncurrent liabilities:								
Advances from other funds	259,526	-	-	-	-	-	-	259,526
Claims payable	2,878,327	-	-	-	-	-	-	2,878,327
Total noncurrent liabilities	3,137,853	-	-	-	-	-	-	3,137,853
Total liabilities	\$ 3,272,525	\$ -	\$ 367,839	\$ 61,061	\$ 22,455	\$ 152,307	\$ 656,677	\$ 4,532,864

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WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF NET ASSETS - ALL INTERNAL SERVICE FUNDS
December 31, 2005

	Risk Management/ Self-Insurance Fund	Vehicle Replacement Fund	Central Fleet Maintenance Fund	Records Management Fund	Communications Fund	Collections Fund	End User Technology Fund	Total Internal Service Funds
NET ASSETS								
Invested in capital assets	\$ 2,659	\$ 7,251,528	\$ 3,889,532	\$ 937,445	\$ 6,401	\$ 45,601	\$ 1,626,153	\$ 13,759,319
Restricted for deposit in WMMIC	2,459,264	-	-	-	-	-	-	2,459,264
Unrestricted	1,317,812	1,911,934	399,786	1,490,384	699,000	1,523,456	4,132,931	11,475,303
Total net assets	\$ 3,779,735	\$ 9,163,462	\$ 4,289,318	\$ 2,427,829	\$ 705,401	\$ 1,569,057	\$ 5,759,084	\$ 27,693,886

(CONCLUDED)

WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS - ALL INTERNAL SERVICE FUNDS
For The Year Ended December 31, 2005

	Risk Management/ Self-Insurance Fund	Vehicle Replacement Fund	Central Fleet Maintenance Fund	Records Management Fund	Communications Fund	Collections Fund	End User Technology Fund	Total Internal Service Funds
OPERATING REVENUES								
Charges for services	\$ -	\$ -	\$ 62,353	\$ 127,923	\$ -	\$ 77,591	\$ -	\$ 267,867
Interdepartmental revenues	953,045	1,827,114	2,686,224	953,403	777,610	425,223	2,440,223	10,062,842
Miscellaneous revenues	87,043	-	11,874	30,827	1,962	213,757	208	345,671
Total operating revenues	1,040,088	1,827,114	2,760,451	1,112,153	779,572	716,571	2,440,431	10,676,380
OPERATING EXPENSES								
Salaries	189,887	-	751,131	405,382	123,426	307,150	615,998	2,392,974
Benefits	69,631	-	353,342	132,554	54,221	125,271	188,610	923,629
Estimated future claims expense	1,547,390	-	-	-	-	-	-	1,547,390
Operating	1,095,468	-	1,570,578	498,745	556,051	26,127	1,108,359	4,855,328
Contracted services	32,753	450	14,608	64,107	12,450	30,302	577,159	699,076
Interdepartmental	766	89,728	46,313	109,998	22,603	100,533	3,656	405,584
Depreciation	-	1,819,691	136,498	103,750	16,062	3,279	396,402	2,476,448
Total operating expenses	2,935,895	1,909,869	2,872,470	1,314,536	784,813	592,662	2,890,184	13,300,429
Operating income (loss)	(1,895,807)	(82,755)	(112,019)	(202,383)	(5,241)	123,909	(449,753)	(2,624,049)
NON-OPERATING REVENUES (EXPENSES)								
General property taxes	-	-	-	-	-	-	299,836	299,836
Intergovernmental contracts/grants	-	-	3,541	-	-	-	-	3,541
Investment earnings	399,092	35,491	-	-	-	-	-	434,583
Interest expense and fiscal charges	(27,278)	-	-	-	-	-	-	(27,278)
Gain (loss) on disposal of capital assets	-	384,971	(166)	-	-	-	(50,074)	334,731
Total non-operating revenues (expenses)	371,814	420,462	3,375	-	-	-	249,762	1,045,413
Income (loss) before transfers and contributions	(1,523,993)	337,707	(108,644)	(202,383)	(5,241)	123,909	(199,991)	(1,578,636)
Transfers out	-	-	-	-	-	(95,000)	(70,000)	(165,000)
Income (loss) before contributions	(1,523,993)	337,707	(108,644)	(202,383)	(5,241)	28,909	(269,991)	(1,743,636)
Capital contributions	-	44,541	-	(35,126)	-	-	28,952	38,367
Increase (decrease) in net assets	(1,523,993)	382,248	(108,644)	(237,509)	(5,241)	28,909	(241,039)	(1,705,269)
Net assets - January 1	5,303,728	8,781,214	4,397,962	2,665,338	710,642	1,540,148	6,000,123	29,399,155
Net assets - December 31	\$ 3,779,735	\$ 9,163,462	\$ 4,289,318	\$ 2,427,829	\$ 705,401	\$ 1,569,057	\$ 5,759,084	\$ 27,693,886

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WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF CASH FLOWS - ALL INTERNAL SERVICE FUNDS
For The Year Ended December 31, 2005

	Risk Management/ Self-insurance Fund	Vehicle Replacement Fund	Central Fleet Maintenance Fund	Records Management Fund	Communications Fund	Collections Fund	End User Technology Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES								
Receipts from customers and users	\$ 353,559	\$ -	\$ 77,768	\$ 127,915	\$ -	\$ 300,461	\$ -	\$ 859,703
Receipts from interfund services provided	1,189,734	1,792,697	2,686,278	976,552	779,669	425,223	2,440,431	10,290,584
Payments to suppliers	(1,737,705)	(450)	(1,447,981)	(546,799)	(598,423)	(61,422)	(1,519,531)	(5,912,311)
Payments to employees	(257,214)	-	(1,102,932)	(536,438)	(177,607)	(430,966)	(807,121)	(3,312,278)
Payments for interfund services used	(32,753)	(89,728)	(46,313)	(109,998)	(22,603)	(100,533)	(3,656)	(405,584)
Total cash flows from operating activities	(484,379)	1,702,519	166,820	(88,768)	(18,964)	132,763	110,123	1,520,114
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES								
Transfers to other funds	-	-	-	-	-	(95,000)	(70,000)	(165,000)
Receipts from general property taxes	-	-	-	-	-	-	299,836	299,836
Total cash flows from non-capital financing activities	-	-	-	-	-	(95,000)	229,836	134,836
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES								
Acquisition of capital assets*	-	(2,320,481)	(128,874)	(13,495)	2,849	(37,601)	(855,033)	(3,352,635)
Proceeds from sales of capital assets	-	546,132	-	-	-	-	-	546,132
Capital contributions	-	-	-	-	-	-	28,952	28,952
Principal paid on capital related interfund advance	(116,750)	-	-	-	-	-	-	(116,750)
Interest paid on capital related interfund advance	(27,278)	-	-	-	-	-	-	(27,278)
Total cash flows from capital and related financing activities	(144,028)	(1,774,349)	(128,874)	(13,495)	2,849	(37,601)	(826,081)	(2,921,579)
CASH FLOWS FROM INVESTING ACTIVITIES								
Interest received	399,092	35,491	-	-	-	-	-	434,583
Total cash flows from investing activities	399,092	35,491	-	-	-	-	-	434,583
Cash and Cash Equivalents, Beginning of Year	4,449,429	1,886,085	379,354	1,640,999	732,922	1,617,737	5,005,894	15,712,420
Cash and Cash Equivalents, End of Year	\$ 4,220,114	\$ 1,849,746	\$ 417,300	\$ 1,538,736	\$ 716,807	\$ 1,617,899	\$ 4,519,772	\$ 14,880,374

**RECONCILIATION OF OPERATING INCOME TO NET CASH
PROVIDED FROM OPERATING ACTIVITIES**

Operating income (loss)	\$ (1,895,807)	\$ (82,755)	\$ (112,019)	\$ (202,383)	\$ (5,241)	\$ 123,909	\$ (449,753)	\$ (2,624,049)
Non-operating income	-	-	3,541	-	-	-	-	3,541
Depreciation expense	766	1,819,691	136,498	103,750	16,062	3,279	396,402	2,476,448
(Increase) Decrease in accounts receivable	(263,311)	(34,417)	54	(7,678)	-	(6,183)	-	(311,535)

(CONTINUED)

WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF CASH FLOWS - ALL INTERNAL SERVICE FUNDS
For The Year Ended December 31, 2005

	Risk Management/ Self-Insurance Fund	Vehicle Replacement Fund	Central Fleet Maintenance Fund	Records Management Fund	Communications Fund	Collections Fund	End User Technology Fund	Total Internal Service Funds
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED FROM OPERATING ACTIVITIES ((CONTINUED))								
(Increase) Decrease in due from other governments	266,516	-	-	(8)	97	15,296	-	281,901
(Increase) Decrease in prepaid items	1,225	-	-	-	-	-	-	1,225
(Increase) Decrease in inventories	-	-	(56,507)	-	(2,128)	-	-	(58,635)
Increase (Decrease) in advance to other funds	500,000	-	-	-	-	-	-	500,000
Increase (Decrease) in vouchers payable	41,146	-	193,712	16,053	(27,794)	(99,356)	165,987	289,748
Increase (Decrease) in accrued compensation	2,304	-	1,541	1,498	40	1,455	(2,513)	4,325
Increase (Decrease) in other liabilities	-	-	-	-	-	94,363	-	94,363
Increase (Decrease) in claims payable	862,782	-	-	-	-	-	-	862,782
Net cash provided by operating activities	\$ (484,379)	\$ 1,702,519	\$ 166,820	\$ (88,768)	\$ (18,964)	\$ 132,763	\$ 110,123	\$ 1,520,114

* There were \$44,542 of non-cash contributions of capital assets during the year.

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NON-MAJOR FIDUCIARY FUNDS

AGENCY FUNDS

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

SHERIFF - HUBER JAIL - To account for the receipt of Huber prisoner's personal cash.

SHERIFF'S DEPARTMENT PROCESSING FEE FUND - To account for the receipt and disbursement of collections by the Sheriff's Department for judicial actions against residents of the County.

PROPERTY TAX PAYMENTS DUE MUNICIPALITIES - To account for the receipt and disbursement of property tax payments by the County Treasurer for four local municipalities.

CLERK OF COURTS FUND - To account for the receipt and disbursement of court-ordered payments to third parties.

OTHER AGENCY FUNDS - To account for the receipt and disbursement of funds for small items, such as burial funds, unclaimed property, etc.

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WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF NET ASSETS - AGENCY FUNDS

December 31, 2005

	Dog License Fund	Burial Fund	Unclaimed Property Fund	Flexible Spending Account	Huber Law Fund
ASSETS					
Cash and investments	\$ 66,200	\$ 3,569	\$ 58,096	\$ 61,714	\$ 100,792
Total assets	\$ 66,200	\$ 3,569	\$ 58,096	\$ 61,714	\$ 100,792
LIABILITIES					
Other liabilities	\$ -	\$ 3,569	\$ 58,007	\$ 61,714	\$ 100,792
Due to other governments	66,200	-	89	-	-
Total liabilities	\$ 66,200	\$ 3,569	\$ 58,096	\$ 61,714	\$ 100,792

WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF NET ASSETS - AGENCY FUNDS

December 31, 2005

District Attorney NSF Fund	Homemaker Fund	Sheriff Processing Fee	Main Jail Fund	Municipal Property Tax Collections	Clerk of Courts Fund	Total Agency Funds
\$ 58,505	\$ 43,652	\$ 36,884	\$ 13,538	\$ 16,042,725	\$ 4,119,230	\$ 20,604,905
<u>\$ 58,505</u>	<u>\$ 43,652</u>	<u>\$ 36,884</u>	<u>\$ 13,538</u>	<u>\$ 16,042,725</u>	<u>\$ 4,119,230</u>	<u>\$ 20,604,905</u>
\$ 58,505	\$ 43,652	\$ 36,884	\$ 13,538	\$ -	\$ 4,119,230	\$ 4,495,891
-	-	-	-	16,042,725	-	16,109,014
<u>\$ 58,505</u>	<u>\$ 43,652</u>	<u>\$ 36,884</u>	<u>\$ 13,538</u>	<u>\$ 16,042,725</u>	<u>\$ 4,119,230</u>	<u>\$ 20,604,905</u>

WAUKESHA COUNTY, WISCONSIN

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS**

For The Year Ended December 31, 2005

	<u>Balance January 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2005</u>
DOG LICENSE FUND				
Assets				
Cash and investments	\$ 65,756	\$ 64,060	\$ 63,616	\$ 66,200
Total assets	<u><u>\$ 65,756</u></u>	<u><u>\$ 64,060</u></u>	<u><u>\$ 63,616</u></u>	<u><u>\$ 66,200</u></u>
Liabilities				
Vouchers payable	\$ 1,216	\$ 62,400	\$ 63,616	\$ -
Due to other governments	64,540	65,601	63,941	66,200
Total liabilities	<u><u>\$ 65,756</u></u>	<u><u>\$ 128,001</u></u>	<u><u>\$ 127,557</u></u>	<u><u>\$ 66,200</u></u>
BURIAL FUND				
Assets				
Cash and investments	\$ 3,569	\$ -	\$ -	\$ 3,569
Total assets	<u><u>\$ 3,569</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,569</u></u>
Liabilities				
Other liabilities	\$ 3,569	\$ -	\$ -	\$ 3,569
Total liabilities	<u><u>\$ 3,569</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,569</u></u>
UNCLAIMED PROPERTY FUND				
Assets				
Cash and investments	\$ 28,171	\$ 33,326	\$ 3,401	\$ 58,096
Total assets	<u><u>\$ 28,171</u></u>	<u><u>\$ 33,326</u></u>	<u><u>\$ 3,401</u></u>	<u><u>\$ 58,096</u></u>
Liabilities				
Vouchers payable	\$ -	3,406	3,406	\$ -
Due to other governments	-	89	-	89
Other liabilities	28,171	33,262	3,426	58,007
Total liabilities	<u><u>\$ 28,171</u></u>	<u><u>\$ 36,757</u></u>	<u><u>\$ 6,832</u></u>	<u><u>\$ 58,096</u></u>
FLEXIBLE SPENDING ACCOUNT FUND				
Assets				
Cash and investments	\$ 63,095	\$ 468,202	\$ 469,583	\$ 61,714
Total assets	<u><u>\$ 63,095</u></u>	<u><u>\$ 468,202</u></u>	<u><u>\$ 469,583</u></u>	<u><u>\$ 61,714</u></u>
Liabilities				
Other liabilities	\$ 63,095	\$ 468,202	\$ 469,583	\$ 61,714
Total liabilities	<u><u>\$ 63,095</u></u>	<u><u>\$ 468,202</u></u>	<u><u>\$ 469,583</u></u>	<u><u>\$ 61,714</u></u>
HUBER LAW FUND				
Assets				
Cash and investments	\$ 92,189	\$ 8,603	\$ -	\$ 100,792
Total assets	<u><u>\$ 92,189</u></u>	<u><u>\$ 8,603</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 100,792</u></u>
Liabilities				
Other liabilities	\$ 92,189	\$ 8,603	\$ -	\$ 100,792
Total liabilities	<u><u>\$ 92,189</u></u>	<u><u>\$ 8,603</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 100,792</u></u>

(CONTINUED)

WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS
For The Year Ended December 31, 2005

	<u>Balance January 1, 2005</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2005</u>
DISTRICT ATTORNEY NSF FUND				
Assets				
Cash and investments	\$ 66,327	\$ -	\$ 7,822	\$ 58,505
Total assets	<u>\$ 66,327</u>	<u>\$ -</u>	<u>\$ 7,822</u>	<u>\$ 58,505</u>
Liabilities				
Other liabilities	\$ 66,327	\$ -	\$ 7,822	\$ 58,505
Total liabilities	<u>\$ 66,327</u>	<u>\$ -</u>	<u>\$ 7,822</u>	<u>\$ 58,505</u>
HOMEMAKER FUND				
Assets				
Cash and investments	\$ 48,641	\$ -	\$ 4,989	\$ 43,652
Total assets	<u>\$ 48,641</u>	<u>\$ -</u>	<u>\$ 4,989</u>	<u>\$ 43,652</u>
Liabilities				
Other liabilities	\$ 48,641	\$ -	\$ 4,989	\$ 43,652
Total liabilities	<u>\$ 48,641</u>	<u>\$ -</u>	<u>\$ 4,989</u>	<u>\$ 43,652</u>
SHERIFF PROCESSING FEE FUND				
Assets				
Cash and investments	\$ 56,823	\$ -	\$ 19,939	\$ 36,884
Total assets	<u>\$ 56,823</u>	<u>\$ -</u>	<u>\$ 19,939</u>	<u>\$ 36,884</u>
Liabilities				
Other liabilities	\$ 56,823	\$ -	\$ 19,939	\$ 36,884
Total liabilities	<u>\$ 56,823</u>	<u>\$ -</u>	<u>\$ 19,939</u>	<u>\$ 36,884</u>
MAIN JAIL FUND				
Assets				
Cash and investments	\$ 15,655	\$ -	\$ 2,117	\$ 13,538
Total assets	<u>\$ 15,655</u>	<u>\$ -</u>	<u>\$ 2,117</u>	<u>\$ 13,538</u>
Liabilities				
Other liabilities	\$ 15,655	\$ -	\$ 2,117	\$ 13,538
Total liabilities	<u>\$ 15,655</u>	<u>\$ -</u>	<u>\$ 2,117</u>	<u>\$ 13,538</u>
MUNICIPAL PROPERTY TAX COLLECTION FUND				
Assets				
Cash and investments	\$ 14,533,374	\$ 16,045,712	\$ 14,536,361	\$ 16,042,725
Total assets	<u>\$ 14,533,374</u>	<u>\$ 16,045,712</u>	<u>\$ 14,536,361</u>	<u>\$ 16,042,725</u>
Liabilities				
Due to other governments	\$ 14,533,374	\$ 16,045,712	\$ 14,536,361	\$ 16,042,725
Total liabilities	<u>\$ 14,533,374</u>	<u>\$ 16,045,712</u>	<u>\$ 14,536,361</u>	<u>\$ 16,042,725</u>

(CONTINUED)

WAUKESHA COUNTY, WISCONSIN

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS

For The Year Ended December 31, 2005

	Balance January 1, 2005	Additions	Deductions	Balance December 31, 2005
CLERK OF COURTS FUND				
Assets				
Cash and investments	\$ 6,021,292	\$ -	\$ 1,902,062	\$ 4,119,230
Total assets	\$ 6,021,292	\$ -	\$ 1,902,062	\$ 4,119,230
Liabilities				
Other liabilities	\$ 6,021,292	\$ -	\$ 1,902,062	\$ 4,119,230
Total liabilities	\$ 6,021,292	\$ -	\$ 1,902,062	\$ 4,119,230
TOTAL AGENCY FUNDS				
Assets				
Cash and investments	\$ 20,994,892	\$ 16,619,903	\$ 17,009,890	\$ 20,604,905
Total assets	\$ 20,994,892	\$ 16,619,903	\$ 17,009,890	\$ 20,604,905
Liabilities				
Vouchers payable	\$ 1,216	\$ 65,806	\$ 67,022	\$ -
Other liabilities	6,395,762	510,067	2,409,938	4,495,891
Due to other governments	14,597,914	16,111,402	14,600,302	16,109,014
Total liabilities	\$ 20,994,892	\$ 16,687,275	\$ 17,077,262	\$ 20,604,905

(CONCLUDED)

GENERAL LONG TERM DEBT

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WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF LONG-TERM DEBT
December 31, 2005

<u>General Obligation Promissory Notes</u>	<u>Issue Date</u>	<u>Interest Rate</u>
Series 1998A	June 1, 1998	4.125 to 4.20
Series 1999A	May 1, 1999	3.50 to 4.30
Series 2000A	July 1, 2000	5.00
Series 2001B	May 1, 2001	4.50
Series 2002	April 1, 2002	3.75 to 4.40
Series 2003	April 15, 2003	2.00 to 3.875
Series 2004	April 1, 2004	2.00 to 3.20
Series 2005	May 1, 2005	3.50 to 4.00
Total General Obligation Promissory Notes		

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF LONG-TERM DEBT
December 31, 2005

<u>Maturity Date</u>	<u>Original Principal</u>	<u>Payments Through December 31, 2005</u>	<u>Balance Outstanding</u>
December 1, 2007	9,800,000	6,575,000	3,225,000
December 1, 2008	9,900,000	4,000,000	5,900,000
December 1, 2009	9,900,000	2,900,000	7,000,000
December 1, 2010	9,900,000	1,550,000	8,350,000
April 1, 2012	14,600,000	1,400,000	13,200,000
April 1, 2013	13,500,000	925,000	12,575,000
April 1, 2014	14,000,000	1,500,000	12,500,000
April 1, 2015	14,400,000	-	14,400,000
	<u>\$ 96,000,000</u>	<u>\$ 18,850,000</u>	<u>\$ 77,150,000</u>

WAUKESHA COUNTY, WISCONSIN
SCHEDULE OF DEBT SERVICE REQUIREMENTS
December 31, 2005

<u>Note Title</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
GENERAL OBLIGATION PROMISSORY NOTES OF 1998, SERIES A				
Principal	1,975,000	1,250,000	-	-
Interest	135,450	52,500	-	-
GENERAL OBLIGATION PROMISSORY NOTES OF 1999, SERIES A				
Principal	2,000,000	2,000,000	1,900,000	-
Interest	247,700	165,700	81,700	-
GENERAL OBLIGATION PROMISSORY NOTES OF 2000, SERIES A				
Principal	2,000,000	2,000,000	1,800,000	1,200,000
Interest	350,000	250,000	150,000	60,000
GENERAL OBLIGATION PROMISSORY NOTES OF 2001, SERIES B				
Principal	1,100,000	1,650,000	1,850,000	2,250,000
Interest	375,750	326,250	252,000	168,750
GENERAL OBLIGATION PROMISSORY NOTES OF 2002				
Principal	1,125,000	1,425,000	1,825,000	2,400,000
Interest	539,338	486,912	418,206	328,425
GENERAL OBLIGATION PROMISSORY NOTES OF 2003				
Principal	425,000	700,000	1,000,000	1,350,000
Interest	425,388	410,450	385,825	350,575
GENERAL OBLIGATION PROMISSORY NOTES OF 2004				
Principal	1,000,000	300,000	400,000	1,100,000
Interest	342,475	327,850	319,725	300,675
GENERAL OBLIGATION PROMISSORY NOTES OF 2005				
Principal	-	250,000	855,000	1,040,000
Interest	564,813	560,438	541,100	506,638
Total Principal	<u>9,625,000</u>	<u>9,575,000</u>	<u>9,630,000</u>	<u>9,340,000</u>
Total Interest	<u>2,980,914</u>	<u>2,580,100</u>	<u>2,148,556</u>	<u>1,715,063</u>
Total Payments By Year	<u>\$ 12,605,914</u>	<u>\$ 12,155,100</u>	<u>\$ 11,778,556</u>	<u>\$ 11,055,063</u>

WAUKESHA COUNTY, WISCONSIN

SCHEDULE OF DEBT SERVICE REQUIREMENTS
December 31, 2005

2010	2011	2012	2013	2014	2015	Totals
-	-	-	-	-	-	3,225,000
-	-	-	-	-	-	187,950
-	-	-	-	-	-	5,900,000
-	-	-	-	-	-	495,100
-	-	-	-	-	-	7,000,000
-	-	-	-	-	-	810,000
1,500,000	-	-	-	-	-	8,350,000
67,500	-	-	-	-	-	1,190,250
2,000,000	2,275,000	2,150,000	-	-	-	13,200,000
234,924	143,513	47,300	-	-	-	2,198,618
2,350,000	2,975,000	1,425,000	2,350,000	-	-	12,575,000
290,962	198,050	117,781	45,531	-	-	2,224,562
1,500,000	2,100,000	2,200,000	2,200,000	1,700,000	-	12,500,000
265,750	214,938	153,125	87,950	27,200	-	2,039,688
1,225,000	1,820,000	2,505,000	2,470,000	2,745,000	1,490,000	14,400,000
464,169	404,800	318,300	218,800	114,500	29,800	3,723,358
8,575,000	9,170,000	8,280,000	7,020,000	4,445,000	1,490,000	77,150,000
1,323,305	961,301	636,506	352,281	141,700	29,800	12,869,526
<u>\$ 9,898,305</u>	<u>\$ 10,131,301</u>	<u>\$ 8,916,506</u>	<u>\$ 7,372,281</u>	<u>\$ 4,586,700</u>	<u>\$ 1,519,800</u>	<u>\$ 90,019,526</u>

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**CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS**

WAUKESHA COUNTY, WISCONSIN

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE
December 31, 2005

GENERAL CAPITAL ASSETS:

Land	\$	34,049,706
Buildings		95,596,476
Improvements Other Than Buildings		11,355,940
Infrastructure		173,739,617
Machinery & Equipment		16,758,899
Vehicles		518,879
Construction In Progress		78,569,666
		<hr/>
Total General Capital Assets	\$	410,589,183

INVESTMENT IN GENERAL CAPITAL ASSETS FROM:

Capital Projects Funds:		
General Obligation Notes	\$	324,436,910
Installment Notes		7,839,883
Federal Grants		2,119,250
State Grants		2,299,517
General Fund Revenues		69,909,495
Human Services Revenues		3,984,128
		<hr/>
Total Investment in General Capital Assets	\$	410,589,183

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, capital assets of internal service funds are included as governmental activities in the statement of net assets.

WAUKESHA COUNTY, WISCONSIN

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
For The Year Ended December 31, 2005**

Function and Activity	General Fixed Assets Jan. 1, 2005	Additions	Deletions	Adjustments	General Fixed Assets Dec. 31, 2005
JUSTICE AND PUBLIC SAFETY					
District Attorney	\$ 5,551	\$ -	\$ -	\$ -	\$ 5,551
Clerk of Courts	1,214,372	-	-	-	1,214,372
Medical Examiner	6,130	-	-	-	6,130
Sheriff	1,942,873	59,617	108,614	-	1,893,876
Total Justice & Public Safety	3,168,926	59,617	108,614	-	3,119,929
HEALTH AND HUMAN SERVICES					
Department of Health & Human Services	3,984,128	-	-	-	3,984,128
Department of Veteran's Services	11,568	-	-	-	11,568
Total Health & Human Services	3,995,696	-	-	-	3,995,696
ENVIRONMENT, PARKS AND EDUCATION					
University of Wisconsin-Extension	3,104,467	-	-	-	3,104,467
Federated Library	36,544	-	-	-	36,544
Parks and Land Use	28,221,102	5,320,650	141,393	-	33,400,359
Total Environment, Parks & Education	31,362,113	5,320,650	141,393	-	36,541,370
PUBLIC WORKS	264,224,229	6,461,691	4,378,310	-	266,307,610
GENERAL GOVERNMENT					
County Executive	63,743	-	-	-	63,743
County Board	10,476	-	-	-	10,476
Emergency Preparedness	152,476	67,473	-	-	219,949
County Treasurer	94,794	-	-	-	94,794
Department of Administration	16,861,088	564,950	-	-	17,426,038
Corporation Counsel	41,476	-	-	-	41,476
Register of Deeds	4,069,168	129,268	-	-	4,198,436
Total General Administration	21,293,221	761,691	-	-	22,054,912
CONSTRUCTION IN PROGRESS	59,235,097	25,397,653	6,063,084	-	78,569,666
TOTAL GENERAL CAPITAL ASSETS	\$ 383,279,282	\$ 38,001,302	\$ 10,691,401	\$ -	\$ 410,589,183

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, capital assets of internal service funds are included as governmental activities in the statement of net assets.

WAUKESHA COUNTY
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION AND ACTIVITY
December 31, 2005

Function and Activity	Land	Building	Improvements Other Than Buildings	Infrastructure	Machinery and Equipment	Vehicles	Construction In Progress	Totals
JUSTICE AND PUBLIC SAFETY								
District Attorney	\$ -	\$ -	\$ -	-	\$ 5,551	-	\$ -	\$ 5,551
Clerk of Courts	-	740,492	-	-	473,880	-	-	1,214,372
Medical Examiner	-	-	-	-	6,130	-	-	6,130
Sheriff	-	74,932	-	-	1,818,944	-	-	1,893,876
Total Justice & Public Safety	-	815,424	-	-	2,304,505	-	-	3,119,929
HEALTH AND HUMAN SERVICES								
Department of Health & Human Services	-	3,628,035	-	-	356,093	-	-	3,984,128
Department of Veteran's Services	-	-	-	-	11,568	-	-	11,568
Total Health & Human Services	-	3,628,035	-	-	367,661	-	-	3,995,696
ENVIRONMENT, PARKS AND EDUCATION								
University of Wisconsin-Extension	-	2,636,007	395,932	-	72,528	-	-	3,104,467
Federated Library	-	-	-	-	36,544	-	-	36,544
Parks and Land Use	16,119,938	6,938,914	8,916,746	-	1,424,761	-	-	33,400,359
Total Environment, Parks & Education	16,119,938	9,574,921	9,312,678	-	1,533,833	-	-	36,541,370
PUBLIC WORKS	17,929,768	70,996,468	1,974,989	173,739,617	1,147,889	518,879	-	266,307,610
GENERAL ADMINISTRATION								
County Executive	-	-	-	-	63,743	-	-	63,743
County Board	-	-	-	-	10,476	-	-	10,476
Emergency Preparedness	-	-	-	-	219,949	-	-	219,949
County Treasurer	-	-	-	-	94,794	-	-	94,794
Department of Administration	-	-	68,273	-	6,776,137	-	-	17,426,038
Corporation Counsel	-	10,581,628	-	-	41,476	-	-	41,476
Register of Deeds	-	-	-	-	4,198,436	-	-	4,198,436
Total General Administration	-	10,581,628	68,273	-	11,405,011	-	-	22,054,912
CONSTRUCTION IN PROGRESS								
	-	-	-	-	-	-	78,569,666	78,569,666
Total General Capital Assets	\$ 34,049,706	\$ 95,596,476	\$ 11,355,940	\$ 173,739,617	\$ 16,758,899	\$ 518,879	\$ 78,569,666	\$ 410,589,183

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, capital assets of internal service funds are included as governmental activities in the statement of net assets.

WAUKESHA COUNTY, WISCONSIN

ACCUMULATED DEPRECIATION OF CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
For The Year Ended December 31, 2005

Function and Activity	Accumulated Depreciation Jan. 1, 2005	Additions	Deletions	Adjustments	Accumulated Depreciation Dec. 31, 2005
JUSTICE AND PUBLIC SAFETY					
District Attorney	\$ 5,551	\$ -	\$ -	\$ -	\$ 5,551
Clerk of Courts	150,005	6,755	-	-	156,760
Medical Examiner	4,923	353	-	-	5,276
Sheriff	1,661,060	61,817	108,613	-	1,614,264
Total Justice & Public Safety	1,821,539	68,925	108,613	-	1,781,851
HEALTH AND HUMAN SERVICES					
Department of Health & Human Services	706,623	7,605	-	-	714,228
Department of Veteran's Services	11,568	-	-	-	11,568
Total Health & Human Services	718,191	7,605	-	-	725,796
ENVIRONMENT, PARKS AND EDUCATION					
University of Wisconsin-Extension	199,025	904	-	-	199,929
Federated Library	30,288	98	-	-	30,386
Parks and Land Use	5,771,369	687,904	-	1,989,157	8,448,430
Total Environment, Parks & Education	6,000,682	688,906	-	1,989,157	8,678,745
PUBLIC WORKS					
	109,424,862	5,218,849	4,296,765		110,346,946
GENERAL GOVERNMENT					
County Executive	34,480	876	-	-	35,356
County Board	7,594	523	-	-	8,117
Emergency Preparedness	16,183	33,293	-	-	49,476
County Treasurer	94,253	-	-	-	94,253
Department of Administration	6,969,872	357,476	-	-	7,327,348
Corporation Counsel	41,476	-	-	-	41,476
Register of Deeds	3,735,581	62,628	-	6,000	3,804,209
Total General Administration	10,899,439	454,796	-	6,000	11,360,235
TOTAL ACCUMULATED DEPRECIATION	\$ 128,864,713	\$ 6,439,081	\$ 4,405,378	\$ 1,995,157	\$ 132,893,573

STATISTICAL SECTION

This part of Waukesha County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the county's overall financial health.

FINANCIAL TRENDS – TABLES 1-4

These schedules contain trend information to help the reader understand how the county's financial performance and well-being have changed over time.

REVENUE CAPACITY – TABLES 5-8

These schedules contain information to help the reader assess the county's most significant local revenue source, the property tax.

DEBT CAPACITY – TABLES 9-11

These schedules present information to help the reader assess the affordability of the county's current levels of outstanding debt and the county's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION – TABLES 12-13

These schedules offer demographic and economic indicators to help the reader understand the environment within which the county's financial activities take place.

OPERATING INFORMATION – TABLES 14-16

These schedules contain service and infrastructure data to help the reader understand how the information in the county's financial report relates to the services the county provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

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WAUKESHA COUNTY, WISCONSIN

TABLE 1
NET ASSETS BY COMPONENT
LAST FOUR FISCAL YEARS
(Accrual Basis of Accounting)

	2002	2003	2004	2005
Governmental activities				
Invested in capital assets, net of related debt	\$ 171,944,688	\$ 170,434,885	\$197,290,974	\$214,309,336
Restricted	9,763,548	10,832,441	10,865,479	12,652,751
Unrestricted	93,504,489	107,089,068	89,892,609	86,362,886
Total governmental activities net assets	<u>\$ 275,212,725</u>	<u>\$ 288,356,394</u>	<u>\$298,049,062</u>	<u>\$313,324,973</u>
Business-type activities				
Invested in capital assets, net of related debt	\$ 40,991,162	\$ 39,328,197	\$ 38,036,078	\$ 35,022,296
Restricted	-	-	-	-
Unrestricted	10,979,830	12,014,000	12,461,697	13,621,455
Total business-type activities net assets	<u>\$ 51,970,992</u>	<u>\$ 51,342,197</u>	<u>\$ 50,497,775</u>	<u>\$ 48,643,751</u>
Primary government				
Invested in capital assets, net of related debt	\$ 212,935,850	\$ 209,763,082	\$235,327,052	\$249,331,632
Restricted	9,763,548	10,832,441	10,865,479	12,652,751
Unrestricted	104,484,319	119,103,068	102,354,306	99,984,341
Total primary government net assets	<u>\$ 327,183,717</u>	<u>\$ 339,698,591</u>	<u>\$348,546,837</u>	<u>\$361,968,724</u>

WAUKESHA COUNTY, WISCONSIN

TABLE 2
CHANGES IN NET ASSETS
LAST FOUR FISCAL YEARS
(Accrual Basis of Accounting)

	2002	2003	2004	2005
Expenses				
Governmental Activities:				
Justice and Law Enforcement	\$ 34,598,275	\$ 36,078,512	\$ 39,048,420	\$ 43,593,777
Health and Human Services	74,646,711	77,929,109	85,807,215	87,663,924
Environment, Parks & Education	17,019,186	16,222,494	15,262,212	18,151,819
Public Works	27,311,245	31,344,254	22,404,865	25,327,577
General Government	13,711,530	10,270,563	17,733,308	12,907,820
Interest and Fiscal Charges	3,186,232	3,238,235	3,107,242	3,095,861
Total governmental activities expenses	<u>170,473,179</u>	<u>175,083,167</u>	<u>183,363,262</u>	<u>190,740,778</u>
Business-type Activities:				
Radio services	819,340	769,038	720,913	762,127
Golf courses	3,089,523	3,069,237	3,157,157	3,148,772
Ice arenas	1,061,519	1,086,788	1,067,316	1,132,778
Exposition center	753,348	768,561	795,052	-
Materials recovery facility	1,547,451	1,640,737	1,684,605	1,854,316
Airport	1,627,952	1,637,759	1,662,400	1,854,729
Total business-type activities expenses	<u>8,899,133</u>	<u>8,972,120</u>	<u>9,087,443</u>	<u>8,752,722</u>
Total primary government expenses	<u>\$ 179,372,312</u>	<u>\$ 184,055,287</u>	<u>\$ 192,450,705</u>	<u>\$ 199,493,500</u>
Program Revenues				
Governmental Activities:				
Charges for services				
Justice and law enforcement	\$ 8,663,032	\$ 8,898,877	\$ 8,913,692	\$ 9,087,478
Health and human services	7,743,738	8,081,741	8,020,568	8,528,030
Environment, parks and education	7,111,605	8,713,853	7,086,671	8,024,456
Public works	3,984,985	3,533,209	3,518,512	4,126,423
General government	701,711	1,021,247	1,016,550	935,504
Operating grants and contributions				
Justice and law enforcement	2,352,890	2,361,239	2,392,220	2,615,653
Health and human services	49,244,887	51,425,259	55,403,624	57,179,817
Environment, parks and education	1,857,609	2,973,340	2,631,568	2,334,438
Public works	7,975,790	7,080,532	4,351,188	5,442,705
General government	397,938	812,555	1,851,950	477,224
Capital grants and contributions				
Public works	1,387,687	1,803,947	2,153,667	3,168,989
General government	124,296	187,958	243,669	416,613
Total governmental activities program revenues	<u>91,546,168</u>	<u>96,893,757</u>	<u>97,583,879</u>	<u>102,337,330</u>
Business-type Activities:				
Charges for services				
Radio services	561,027	508,705	548,009	573,784
Golf courses	3,055,406	3,058,101	3,010,037	3,143,569
Ice arenas	899,844	878,875	884,826	896,627
Exposition center	582,062	740,957	607,273	-
Materials recovery facility	799,509	875,550	1,123,606	1,182,572
Airport	584,748	600,628	592,027	635,278
Operating grants and contributions				
Radio services				395,404
Materials recovery facility	1,098,183	1,082,297	1,072,517	1,071,968
Airport	-	-	-	135,835
Capital grants and contributions				
Radio services	-	-	-	136,372
Ice arenas	-	-	-	(14,203)
Airport	-	-	-	312,281
Total business-type activities program revenues	<u>7,580,779</u>	<u>7,745,113</u>	<u>7,838,295</u>	<u>8,469,487</u>
Total primary government program revenues	<u>\$ 99,126,947</u>	<u>\$ 104,638,870</u>	<u>\$ 105,422,174</u>	<u>\$ 110,806,817</u>

WAUKESHA COUNTY, WISCONSIN

TABLE 2
CHANGES IN NET ASSETS
LAST FOUR FISCAL YEARS
(Accrual Basis of Accounting)

	2002	2003	2004	2005
Net (Expense) Revenue				
Governmental activities	\$ (78,927,011)	\$ (78,189,410)	\$ (85,779,383)	\$ (88,403,448)
Business-type activities	(1,318,354)	(1,227,007)	(1,249,148)	(283,235)
Total primary government net expense	<u>\$ (80,245,365)</u>	<u>\$ (79,416,417)</u>	<u>\$ (87,028,531)</u>	<u>\$ (88,686,683)</u>
 General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property taxes	\$ 78,837,884	\$ 82,474,031	\$ 86,529,333	\$ 89,356,561
Intergovernmental revenues	3,626,232	3,473,922	2,049,836	1,858,821
Investment earnings	9,235,265	3,473,835	4,065,836	4,152,399
Miscellaneous	2,525,484	1,211,447	2,176,519	5,975,479
Gains (losses) on disposal/sale of capital assets	(1,287)	277,111	300,527	337,544
Capital contributions	28,561	22,733		-
Transfers	339,000	400,000	350,000	2,081,339
Total governmental activities	<u>94,591,139</u>	<u>91,333,079</u>	<u>95,472,051</u>	<u>103,762,143</u>
Business-type Activities:				
Property taxes	595,553	563,053	361,453	201,453
Investment earnings	427,137	395,295	365,709	203,436
Miscellaneous	21,593	40,445	27,564	105,661
Gains (losses) on disposal/sale of capital assets	15,066	(30,581)	-	-
Capital contributions	317,623	30,000	-	-
Transfers	(339,000)	(400,000)	(350,000)	(2,081,339)
Total business-type activities	<u>1,037,972</u>	<u>598,212</u>	<u>404,726</u>	<u>(1,570,789)</u>
Total primary government	<u>95,629,111</u>	<u>91,931,291</u>	<u>95,876,777</u>	<u>102,191,354</u>
 Change in Net Assets				
Governmental Activities	\$ 15,664,128	\$ 13,143,669	\$ 9,692,668	\$ 15,358,695
Business-type Activities	(280,382)	(628,795)	(844,422)	(1,854,024)
Total primary government	<u>\$ 15,383,746</u>	<u>\$ 12,514,874</u>	<u>\$ 8,848,246</u>	<u>\$ 13,504,671</u>

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WAUKESHA COUNTY, WISCONSIN

TABLE 3
FUND BALANCES
GOVERNMENTAL FUNDS
LAST FOUR FISCAL YEARS

(Modified Accrual Basis of Accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
General Fund				
Reserved	\$ 20,897,224	\$ 22,470,548	\$ 16,200,077	\$ 11,162,858
Unreserved				
Designated for Subsequent Year's Expenditures	6,821,662	8,803,399	7,189,330	10,334,800
Undesignated	<u>27,771,227</u>	<u>25,724,954</u>	<u>26,960,561</u>	<u>28,360,969</u>
Total General Fund	<u>\$55,490,113</u>	<u>\$ 56,998,901</u>	<u>\$ 50,349,968</u>	<u>\$ 49,858,627</u>
All Other Governmental Funds				
Reserved	\$ 29,363,924	\$ 30,843,987	\$ 17,251,975	\$ 18,301,420
Unreserved				
Designated for Subsequent Year's Expenditures				
Special revenue funds	2,164,610	2,858,564	3,041,435	3,992,290
Capital projects funds	11,404,666	10,678,017	10,932,807	10,138,578
Undesignated				
Special revenue funds	<u>3,544,721</u>	<u>3,600,440</u>	<u>2,723,803</u>	<u>2,814,261</u>
Total All Other Governmental Funds	<u>\$ 46,477,921</u>	<u>\$ 47,981,008</u>	<u>\$ 33,950,020</u>	<u>\$ 35,246,549</u>

WAUKESHA COUNTY, WISCONSIN

TABLE 4
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	1996	1997	1998	1999
Revenues				
Intergovernmental contracts/grants	\$ 51,229,756	\$ 52,242,400	\$ 54,685,172	\$ 57,759,652
Property taxes	59,303,827	60,829,509	63,715,170	66,016,491
Fines and Licenses	2,529,888	2,722,387	2,569,544	2,601,597
Charges for services	11,578,522	12,076,047	14,218,378	14,438,207
Interdepartmental revenues	3,895,600	3,860,983	3,962,849	3,810,330
Investment earnings	5,465,989	5,998,214	7,076,428	3,634,894
Miscellaneous	6,588,216	7,159,171	7,587,423	6,466,676
Total revenues	140,591,798	144,888,711	153,814,964	154,727,847
Expenditures				
Justice and law enforcement	27,199,407	28,510,323	29,805,001	30,810,844
Health and human services	52,537,474	53,052,596	53,970,747	58,360,019
Environment, parks and education	10,180,794	10,812,303	10,811,442	13,089,384
Public works	10,473,368	10,880,792	11,660,949	12,469,667
General government	16,521,711	19,753,114	17,693,724	19,807,027
Capital outlay	14,773,087	18,597,752	18,450,878	22,228,321
Debt service				
Principal	15,380,000 (a)	6,810,000	11,650,000 (b)	10,050,000 (c)
Interest	2,866,384	2,818,743	2,950,776	2,849,842
Total expenditures	149,932,225	151,235,623	156,993,517	169,665,104
Excess of revenues over (under) expenditures	(9,340,427)	(6,346,912)	(3,178,553)	(14,937,257)
Other Financing Sources (Uses)				
Proceeds from borrowing	18,325,000	9,800,000	9,800,000	9,900,000
Transfers in	4,079,043	3,471,845	5,710,218	4,911,022
Transfers out	(4,169,293)	(3,941,845)	(6,160,218)	(7,111,022)
Total other financing sources (uses)	18,234,750	9,330,000	9,350,000	7,700,000
Net change in fund balances	\$ 8,894,323	\$ 2,983,088	\$ 6,171,447	\$ (7,237,257)
Debt service as a percentage of noncapital expenditures	13.5%	7.3%	10.5%	8.7%

(a) Includes \$9,425,000 used to redeem the outstanding portions of the 1990 and 1991 GOPNs.

(b) Includes \$3,500,000 used to redeem the outstanding portions of the 1992 GOPN.

WAUKESHA COUNTY, WISCONSIN

TABLE 4
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

2000	2001	2002	2003	2004	2005
\$ 61,741,028	\$ 64,332,656	\$ 68,306,672	\$ 71,257,386	\$ 72,749,971	\$ 76,557,351
69,237,491	71,705,192	75,757,280	79,097,296	83,342,607	87,143,453
3,128,218	3,180,007	3,393,102	3,635,034	3,812,876	3,631,315
14,335,782	16,457,970	17,256,440	19,224,555	17,597,113	18,579,200
4,536,924	4,633,636	3,187,421	3,405,148	3,621,947	3,686,856
9,289,186	7,490,377	8,568,027	2,911,689	3,602,798	3,717,816
7,966,716	10,216,636	9,311,951	10,352,974	9,963,977	13,476,199
170,235,345	178,016,474	185,780,893	189,884,082	194,691,289	206,792,190
31,637,875	33,144,802	34,860,661	37,009,124	40,169,082	44,280,802
63,302,190	70,085,501	75,630,787	79,453,173	85,475,260	87,717,456
13,028,376	17,258,719	16,083,615	16,582,111	17,116,993	18,173,873
14,329,028	19,829,848	19,030,266	18,076,272	17,051,124	18,614,546
21,943,866	15,913,402	12,117,499	11,323,404	13,680,880	11,993,665
15,009,684	13,519,854	18,900,397	25,779,056	40,815,054	27,977,981
8,125,000	24,500,000 (d)	8,445,000	8,920,000	12,200,000 (e)	8,715,000
2,722,081	2,995,040	3,005,319	3,133,384	3,040,550	3,002,020
170,098,100	197,247,166	188,073,544	200,276,524	229,548,943	220,475,343
137,245	(19,230,692)	(2,292,651)	(10,392,442)	(34,857,654)	(13,683,153)
9,900,000	26,843,984	14,600,000	13,500,000	14,000,000	14,400,000
3,174,837	4,138,363	4,946,756	4,576,165	10,013,994	5,937,615
(1,908,285)	(5,925,030)	(5,597,756)	(4,671,848)	(9,836,261)	(5,766,490)
11,166,552	25,057,317	13,949,000	13,404,317	14,177,733	14,571,125
\$ 11,303,797	\$ 5,826,625	\$ 11,656,349	\$ 3,011,875	\$ (20,679,921)	\$ 887,972

7.0%

15.0%

6.8%

6.9%

8.1%

6.1%

(c) Includes \$2,350,000 used to redeem the 2002 maturity of the 1993 GOPN.

(d) Includes \$16,400,000 used to redeem the outstanding portions of the 1994, 1995, and 1996 GOPNs.

(e) Includes \$4,800,000 used to redeem the outstanding portions of the 1997 GOPN.

WAUKESHA COUNTY, WISCONSIN

TABLE 5
EQUALIZED VALUE OF TAXABLE PROPERTY (a)
LAST TEN FISCAL YEARS

Fiscal Year	Real Estate				Personal Property	Less: Tax Incremental Districts (TID)	Total (b)	General County Tax Rate (c)
	Residential	Commercial	Manufacturing	Other				
1996	16,661,619,800	3,783,958,700	736,833,100	333,435,400	916,435,700	498,043,400	21,934,239,300	\$2.81
1997	17,617,710,400	4,115,220,100	852,065,600	357,123,200	978,090,900	538,575,500	23,381,634,700	\$2.74
1998	18,443,537,700	4,406,343,400	924,246,900	369,103,200	1,084,420,200	475,541,150	24,752,110,250	\$2.68
1999	19,843,752,500	4,959,811,700	1,006,218,600	382,716,200	808,226,300	557,889,150	26,442,836,150	\$2.58
2000	21,662,826,700	5,534,875,800	1,119,165,400	295,219,200	869,649,200	639,661,050	28,842,075,250	\$2.46
2001	23,510,976,600	5,918,032,800	1,208,651,700	274,861,800	907,484,500	742,533,650	31,077,473,750	\$2.42
2002	25,670,011,600	6,412,417,200	1,253,162,000	250,660,800	932,193,600	727,335,650	33,791,109,550	\$2.31
2003	28,124,600,400	6,940,711,200	1,284,126,600	237,492,300	863,239,900	539,735,350	36,910,435,050	\$2.21
2004	30,903,597,300	7,586,152,200	1,305,452,400	232,229,300	912,142,500	695,508,650	40,244,065,050	\$2.11
2005	34,623,811,100	8,355,041,700	1,341,525,900	231,366,700	899,285,800	836,938,750	44,614,092,450	\$1.96

SOURCE: Wisconsin Department of Revenue, Bureau of Property Tax

- (a) Due to varying assessment ratios to full market value used in municipalities, all underlying tax districts such as counties are required to use equalized value for levying property taxes. Equalized value, defined by State Statute, is the legal market value determined by the Wisconsin Department of Revenue Bureau of Property Tax.
- (b) Equalized Values are reduced by Tax Increment District value increments for apportioning the County levy.
- (c) Per \$1,000 of equalized value.

WAUKESHA COUNTY, WISCONSIN
TABLE 6
DIRECT AND OVERLAPPING PROPERTY TAX RATES
 Last Ten Years
(Rate per \$1,000 of equalized value)(a)

	2003	2004	2005
County direct rates (b)			
General	\$2.21	\$2.11	\$1.96
Federated Library (c)	\$0.26	\$0.24	\$0.24
Overlapping rates			
Cities:			
Brookfield	\$17.71 - \$19.04	\$16.76 - \$17.87	\$15.15 - \$16.98
Delafield	\$15.87 - \$19.11	\$16.19 - \$17.37	\$13.68 - \$16.22
Muskego	\$17.11 - \$19.41	\$15.92 - \$18.48	\$14.25 - \$16.67
New Berlin	\$17.77 - \$20.41	\$17.18 - \$18.86	\$15.79 - \$17.65
Oconomowoc	\$17.34 - \$17.36	\$16.15 - \$16.17	\$14.85 - \$14.92
Pewaukee	\$14.69 - \$19.12	\$14.21 - \$17.47	\$12.56 - \$15.20
Waukesha	\$20.78	\$21.40	\$18.20
Towns:			
Brookfield	\$16.08 - \$16.99	\$15.08 - \$16.20	\$13.62 - \$15.43
Delafield	\$13.61 - \$16.92	\$12.67 - \$15.32	\$11.31 - \$13.80
Eagle	\$12.43 - \$16.33	\$11.98 - \$14.20	\$10.98 - \$13.35
Genesee	\$13.11 - \$15.68	\$12.42 - \$14.73	\$11.61 - \$12.47
Lisbon	\$15.64 - \$18.11	\$13.73 - \$17.08	\$12.48 - \$14.67
Merton	\$13.04 - \$17.02	\$12.64 - \$15.96	\$10.98 - \$13.59
Mukwonago			\$12.53 - \$13.33
Oconomowoc	\$14.78 - \$15.76	\$13.38 - \$15.80	\$11.74 - \$13.75
Ottawa	\$13.31 - \$15.93	\$12.76 - \$15.12	\$11.33 - \$13.61
Summit	\$13.86 - \$15.47	\$13.58 - \$14.87	\$11.52 - \$13.28
Vernon	\$14.74 - \$15.19	\$13.38 - \$80.18	\$11.58 - \$84.58
Waukesha	\$13.85	\$13.36	\$11.97
Villages:			
Big Bend	\$20.22	\$18.91	\$17.09
Butler	\$20.52 - \$21.15	\$19.41 - \$19.69	\$17.57 - \$17.66
Chenequa	\$18.15 - \$19.99	\$15.94 - \$17.67	\$14.00 - \$15.70
Dousman	\$19.45	\$17.03	\$15.16
Eagle	\$17.60	\$18.00	\$16.86
Elm Grove	\$20.34	\$18.73	\$17.84
Hartland	\$17.69 - \$19.54	\$15.89 - \$17.78	\$14.00 - \$16.17
Lac LaBelle	\$15.13	\$14.85	\$12.99
Lannon	\$18.93 - \$19.83	\$17.72 - \$17.99	\$16.35 - \$16.53
Menomonee Falls	\$19.32 - \$20.15	\$18.54 - \$18.81	\$16.17 - \$16.86
Merton	\$17.45 - \$17.47	\$15.58 - \$18.39	\$13.57 - \$15.64
Mukwonago	\$19.25 - \$19.86	\$18.43 - \$19.31	\$16.45 - \$17.19
Nashotah	\$18.65	\$16.95	\$15.47
North Prairie	\$16.79 - \$18.33	\$15.29 - \$16.73	\$13.72 - \$14.98
Oconomowoc Lake	\$15.53	\$14.73	\$12.74
Pewaukee	\$19.53	\$18.43	\$17.37
Sussex	\$17.66 - \$19.65	\$17.17 - \$18.60	\$15.71 - \$16.26
Wales	\$16.17	\$15.51	\$13.65

(a) Rate is subject to limitations as described in Note 3 (D) of the Notes to Financial Statements.

(b) Due to varying assessment ratios to full market value used in municipalities, all underlying tax districts such as counties are required to use equalized value for levying property taxes. Equalized value, defined by State Statute, is the legal market value determined by the Wisconsin Department of Revenue Bureau of Property Tax.

(c) There are sixteen member libraries in the Federated Library System. The tax applies to taxable properties in the nineteen communities without a library.

WAUKESHA COUNTY, WISCONSIN

TABLE 7
PRINCIPAL TAXPAYERS
2005 AND NINE YEARS PRIOR

<u>Taxpayer</u>	<u>2005 Equalized Value</u>	<u>2005 Rank</u>	<u>2005 Percentage of Total Equalized Value</u>	<u>1996 Equalized Value</u>	<u>1996 Rank</u>	<u>1996 Percentage of Total Equalized Value</u>
Individual	\$ 146,323,100	1	0.32%	\$ 43,313,971	6	0.19%
Pabst Farms	130,947,400	2	0.29%	--		--
Bielinski Bros.	110,649,400	3	0.24%	50,293,283	4	0.22%
Brookfield Square	106,245,900	4	0.23%	58,793,226	2	0.26%
Harmony Homes	101,891,300	5	0.22%	41,437,283	7	0.18%
Target Corporation	93,922,400	6	0.21%	--		--
General Electric Medical Systems	90,567,800	7	0.20%	75,032,385	1	0.33%
Kohl's Department Store	89,164,300	8	0.20%	33,954,011	8	0.15%
Sunset Investment Co.	71,491,400	9	0.16%	--		--
Individual	68,064,000	10	0.15%	--		--
Quad Graphics	--		--	52,935,370	3	0.24%
Dayton Hudson Corporation	--		--	47,655,180	5	0.21%
Cooper Power System	--		--	24,459,207	9	0.11%
Firststar Corporation	--		--	23,424,538	10	0.10%
TOTAL	\$1,009,267,000		2.22%	\$451,298,454		2.01%
TOTAL COUNTY EQUALIZED VALUE	\$45,451,031,200			\$22,432,282,700		

Source: Waukesha County Tax System

WAUKESHA COUNTY, WISCONSIN

TABLE 8
PROPERTY TAXES LEVIED AND COLLECTIONS
LAST TEN FISCAL YEARS

Settlement Year (A)	Total Tax Roll	As of December 31 of Settlement Year		Cumulative as of December 31, 2005	
		Amount Collected	Percent Collected	Amount Collected	Percent Collected
1996	\$542,136,992	\$538,286,340	99.29%	\$542,123,803	100.00%
1997	\$529,622,863	\$526,557,700	99.42%	\$529,618,949	100.00%
1998	\$543,469,071	\$540,381,030	99.43%	\$543,465,285	100.00%
1999	\$575,585,043	\$572,331,202	99.43%	\$575,581,174	100.00%
2000	\$592,900,730	\$589,659,119	99.45%	\$592,896,496	100.00%
2001	\$616,724,632	\$612,859,652	99.37%	\$616,700,376	100.00%
2002	\$662,116,100	\$657,637,060	99.32%	\$662,080,154	99.99%
2003	\$688,967,171	\$684,864,602	99.40%	\$688,586,193	99.94%
2004	\$723,215,360	\$719,960,843	99.55%	\$722,119,675	99.85%
2005	\$760,508,669	\$757,099,379	99.55%	\$757,099,379	99.55%

SOURCE: Waukesha County Treasurer's Tax Settlement Reports

NOTE: (A) The County levy is settled (collected) by the County Treasurer in the year following the year it is levied.

WAUKESHA COUNTY, WISCONSIN

TABLE 9
RATIO OF OUTSTANDING DEBT TO EQUALIZED VALUATION
AND DEBT PER CAPITA
LAST TEN FISCAL YEARS

<u>Year Ending December 31</u>	<u>Estimated Population (A)</u>	<u>Equalized Valuation (B)</u>	<u>Outstanding Debt</u>	<u>Percent of Debt to Equalized Valuation</u>	<u>Debt Per Capita</u>
1996	334,077	\$21,934,239,300	\$56,160,695	0.26%	168.11
1997	341,338	\$23,381,634,700	\$57,425,000	0.25%	168.24
1998	345,440	\$24,752,110,250	\$55,575,000	0.22%	160.88
1999	350,273	\$26,442,836,150	\$55,425,000	0.21%	158.23
2000	360,767	\$28,802,075,250	\$57,200,000	0.20%	158.55
2001	363,571	\$31,074,293,750	\$58,930,000	0.19%	162.09
2002	368,077	\$33,791,109,550	\$65,085,000	0.19%	176.82
2003	371,189	\$36,910,435,050	\$69,665,000	0.19%	187.68
2004	373,339	\$40,244,065,050	\$71,465,000	0.18%	191.42
2005	377,208	\$44,614,092,450	\$77,150,000	0.17%	204.53

NOTES:

(A) Source: 2000 Census Data, Wisconsin Department of Administration.

(B) Value as reduced by tax incremental financing districts.

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WAUKESHA COUNTY, WISCONSIN

TABLE 10
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(dollars in thousands)

	1996	1997	1998	1999
Equalized Value of Real and Personal Property	<u>\$ 22,432,283</u>	<u>\$ 23,920,210</u>	<u>\$ 25,227,651</u>	<u>\$ 27,000,725</u>
Debt Limit, 5% of Equalized Valuation (Wisconsin Statutory Limitation)	\$ 1,121,614	\$ 1,196,011	\$ 1,261,383	\$ 1,350,036
Amount of Debt Applicable to Debt Limitation:				
General Obligation Promissory Notes	56,161	57,425	55,575	55,425
Plus: General Obligation Operating Lease	247	128	-	-
Less: Debt Service Funds	<u>(2,882)</u>	<u>(6,688)</u>	<u>(5,281)</u>	<u>(2,918)</u>
Total Amount of Debt Applicable to Debt Margin	53,526	50,865	50,294	52,507
Legal Debt Margin-(Debt Capacity)	<u>\$ 1,068,088</u>	<u>\$ 1,145,146</u>	<u>\$ 1,211,089</u>	<u>\$ 1,297,529</u>
Percent of Debt Capacity Used	4.8%	4.3%	4.0%	3.9%

WAUKESHA COUNTY, WISCONSIN

TABLE 10
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(dollars in thousands)

2000	2001	2002	2003	2004	2005
<u>\$ 29,441,736</u>	<u>\$ 31,816,827</u>	<u>\$ 34,518,445</u>	<u>\$ 37,450,170</u>	<u>\$ 40,939,574</u>	<u>\$ 45,451,031</u>
\$ 1,472,087	\$ 1,590,841	\$ 1,725,922	\$ 1,872,509	\$ 2,046,979	\$ 2,272,552
57,200	58,930	65,085	69,665	71,465	77,150
-	-	-	-	-	-
<u>(2,974)</u>	<u>(3,529)</u>	<u>(3,491)</u>	<u>(3,207)</u>	<u>(3,003)</u>	<u>(3,018)</u>
54,226	55,401	61,594	66,458	68,462	74,132
<u>\$ 1,417,861</u>	<u>\$ 1,535,440</u>	<u>\$ 1,664,328</u>	<u>\$ 1,806,051</u>	<u>\$ 1,978,517</u>	<u>\$ 2,198,420</u>
3.7%	3.5%	3.6%	3.5%	3.3%	3.3%

WAUKESHA COUNTY, WISCONSIN
TABLE 11
COMPUTATION OF DIRECT AND OVERLAPPING DEBT

Governmental Unit	Outstanding Debt As of March 1, 2006	% of Debt Within County	Amount Debt Within County
DIRECT DEBT			
Waukesha County	77,150,000	100.00%	77,150,000
TOTAL DIRECT DEBT			\$ 77,150,000
OVERLAPPING DEBT			
Cities:			
Brookfield	58,118,699	100.00%	58,118,699
Delafield	10,773,010	100.00%	10,773,010
Milwaukee	782,565,000	0.07%	547,796
Muskego	21,924,461	100.00%	21,924,461
New Berlin	31,920,721	100.00%	31,920,721
Oconomowoc	18,240,000	100.00%	18,240,000
Pewaukee	18,334,254	100.00%	18,334,254
Waukesha	72,775,107	100.00%	72,775,107
Total All Cities			\$ 232,634,048
Towns:			
Brookfield	7,696,483	100.00%	7,696,483
Delafield	261,648	100.00%	261,648
Eagle	7,180	100.00%	7,180
Genesee	1,438,749	100.00%	1,438,749
Lisbon	2,685,857	100.00%	2,685,857
Merton	104,133	100.00%	104,133
Mukwonago	355,318	100.00%	355,318
Oconomowoc	3,135,000	100.00%	3,135,000
Ottawa	23,254	100.00%	23,254
Summit	997,426	100.00%	997,426
Vernon	570,000	100.00%	570,000
Waukesha	365,753	100.00%	365,753
Total All Towns			\$ 17,640,801
Villages:			
Big Bend	623,621	100.00%	623,621
Butler	2,522,375	100.00%	2,522,375
Chenequa	834,594	100.00%	834,594
Dousman	40,080	100.00%	40,080
Eagle	59,427	100.00%	59,427
Elm Grove	16,273,863	100.00%	16,273,863
Hartland	6,940,000	100.00%	6,940,000
Lac LaBelle	2,491,807	100.00%	2,491,807
Lannon	1,535,000	100.00%	1,535,000
Menomonee Falls	63,082,297	100.00%	63,082,297
Merton	1,531,861	100.00%	1,531,861
Mukwonago	15,242,931	100.00%	15,242,931
Nashotah	184,612	100.00%	184,612
North Prairie	2,326,302	100.00%	2,326,302
Oconomowoc Lake	570,000	100.00%	570,000
Pewaukee	1,545,000	100.00%	1,545,000
Sussex	19,351,194	100.00%	19,351,194
Wales	1,726,594	100.00%	1,726,594
Total All Villages			\$ 136,881,558

WAUKESHA COUNTY, WISCONSIN

TABLE 11
COMPUTATION OF DIRECT AND OVERLAPPING DEBT

Governmental Unit	Outstanding Debt As of March 1, 2005	% of Debt Within County	Amount Debt Within County
School Districts:			
Arrowhead UHS	21,960,648	100.00%	\$ 21,960,648
East Troy	10,845,830	0.39%	42,299
Elmbrook	22,640,000	100.00%	22,640,000
Hamilton	28,705,000	100.00%	28,705,000
Hartland-Lakeside J3	13,140,337	100.00%	13,140,337
Kettle Moraine	23,870,000	100.00%	23,870,000
Lake Country	5,370,000	100.00%	5,370,000
Menomonee Falls	9,790,000	100.00%	9,790,000
Merton Community	4,245,000	100.00%	4,245,000
Mukwonago	19,300,000	99.97%	19,294,210
Muskego-Norway	45,225,000	100.00%	45,225,000
New Berlin	53,325,000	100.00%	53,325,000
North Lake	2,760,000	100.00%	2,760,000
Oconomowoc Area	15,280,000	100.00%	15,280,000
Palmyra-Eagle	17,104,559	48.98%	8,377,813
Pewaukee	26,418,305	100.00%	26,418,305
Richmond	4,171,991	100.00%	4,171,991
Stone Bank	3,080,000	100.00%	3,080,000
Swallow	5,420,000	100.00%	5,420,000
Waukesha	22,890,000	100.00%	22,890,000
West Allis	25,158,000	6.42%	1,615,144
Total All School Districts			\$ 337,620,747
Sanitary Districts			
Ashippun Lake	322,463	100.00%	322,463
Blackhawk	455,000	100.00%	455,000
Town of Brookfield #4	1,000,000	100.00%	1,000,000
Mary Lane	860,000	100.00%	860,000
Little Muskego Lake	168,155	100.00%	168,155
Okauchee Lake	218,392	100.00%	218,392
School Section Lake	243,799	100.00%	243,799
Milwaukee Metropolitan Sewerage District	678,620,338	0.04%	271,448
Total Sanitary Districts			\$ 3,539,257
Technical College Districts			
Milwaukee Area	55,035,000	0.44%	242,154
Waukesha	31,505,000	100.00%	31,505,000
Total Technical College Districts			\$ 31,747,154
TOTAL OVERLAPPING DEBT			\$ 760,063,565
TOTAL DIRECT AND OVERLAPPING DEBT			\$ 837,213,565

Source: Survey of Underlying Governmental Units conducted by Robert W. Baird & Co. as of March, 2006.

WAUKESHA COUNTY, WISCONSIN

TABLE 12
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	(1) Population	(2) (\$000's) Personal Income	(2) Per Capita Personal Income	(3) Public School Enrollment	(3) Private School Enrollment	(4) Unemployment Rate
1996	334,077	\$10,691,466	\$32,003	58,083	13,430	2.5%
1997	341,338	\$11,657,717	\$34,153	58,249	13,379	2.6%
1998	345,440	\$12,579,543	\$36,416	58,504	14,025	2.3%
1999	350,273	\$13,546,458	\$38,674	59,145	14,081	2.1%
2000	360,767	\$14,806,238	\$41,041	59,279	14,087	2.5%
2001	363,571	\$14,847,512	\$40,838	59,304	14,321	3.3%
2002	368,077	\$15,133,118	\$41,114	60,165	14,026	4.5%
2003	371,189	\$15,423,274	\$41,551	60,746	13,554	4.5%
2004	373,339	*	*	61,831	13,038	3.9%
2005	377,208	*	*	*	*	3.8%

*Information not yet available.

Sources:

- (1) Fiscal year 2000 is U.S. Census figure; all other figures are estimated by the Wisconsin Department of Administration.
- (2) Bureau of Economic Analysis-US Department of Commerce.
- (3) Wisconsin Department of Public Instruction.
- (4) Wisconsin Department of Industry, Labor and Human Relations, Bureau of Labor Market Information. 2005 figure is preliminary.

WAUKESHA COUNTY, WISCONSIN

TABLE 13
TEN LARGEST EMPLOYERS
2005 AND NINE YEARS PRIOR

Employer	Product/Business	2005			1996		
		Approximate Employment	% of Total	Rank	Approximate Employment	% of Total	Rank
ProHealth Care-formerly Waukesha Memorial Hospital	Health Services	4,964	18%	1	1,906	10%	4
Kohl's Department Stores	Retail, Dist. Center, Headquarters	4,045	15%	2	2,771	15%	2
General Electric Medical Systems	Medical Products	3,976	15%	3	2,600	14%	3
Roundy's	Food Wholesale/Retail	3,593	13%	4			
Quad Graphics	Printing/Headquarters	3,146	12%	5	3,475	18%	1
Target Corporation	Retail Distribution Center	1,623	6%	6	1,278	7%	8
Waukesha School District	Education	1,508	6%	7	1,472	8%	6
SBC (Ameritech)	Communications	1,478	5%	8			
Community Memorial Hospital	Health Services	1,474	5%	9	1,182	6%	10
Walmart Corporation	Retail	1,425	5%	10			
Waukesha County	Government				1,322	7%	7
Waukesha County Technical College	Post Secondary Education				1,239	6%	9
Cooper Power Systems (RTE)	Power Transformers				1,659	9%	5
Total		27,232	100%		18,904	100%	

SOURCE: Wisconsin Department of Workforce Development
Labor Market Information Bureau
January, 2006 and February, 1997 employer inquiry updates

WAUKESHA COUNTY, WISCONSIN

TABLE 14
FULL-TIME EQUIVALENT BUDGETED COUNTY POSITIONS BY FUNCTIONAL AREA
LAST TEN FISCAL YEARS

Functional Areas:	1996	1997	1998	1999
Justice and public safety	456.00	463.50	456.5	459.75
Health and human services	426.50	425.78	421.93	425.29
Environment, parks and education	150.66	152.30	153.16	155.16
Public works	165.50	167.50	167.50	168.50
General government	<u>123.95</u>	<u>127.15</u>	<u>129.40</u>	<u>129.40</u>
Total Regular Positions County-Wide	1,322.61	1,336.23	1,328.49	1,338.10
Temporary Extra Help	*	*	*	119.37
Overtime	<u>*</u>	<u>*</u>	<u>*</u>	<u>26.43</u>
Total Position Equivalents	1,322.61	1,336.23	1,328.49	1,483.90

*Information not available.

Source: Waukesha County Budget Office

WAUKESHA COUNTY, WISCONSIN

TABLE 14
FULL-TIME EQUIVALENT BUDGETED COUNTY POSITIONS BY FUNCTIONAL AREA
LAST TEN FISCAL YEARS

<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005 Budget</u>
463.75	469.75	468.25	473.85	492.10	515.99
419.00	425.44	427.64	424.83	430.17	429.03
150.63	151.63	151.63	153.75	153.00	153.00
169.50	169.50	166.50	163.50	162.50	160.75
<u>130.15</u>	<u>133.15</u>	<u>132.38</u>	<u>128.55</u>	<u>127.75</u>	<u>127.80</u>
1,333.03	1,349.47	1,346.40	1,344.48	1,365.52	1,386.57
112.61	117.50	130.34	125.78	117.14	122.33
<u>32.04</u>	<u>32.34</u>	<u>26.89</u>	<u>26.71</u>	<u>23.48</u>	<u>24.13</u>
1,477.68	1,499.31	1,503.63	1,496.97	1,506.14	1,533.03

WAUKESHA COUNTY, WISCONSIN

TABLE 15
MISCELLANEOUS OPERATING INDICATORS
LAST TEN FISCAL YEARS

	1996	1997	1998	1999
JUSTICE AND PUBLIC SAFETY				
Jail Bookings	8,110	9,022	8,622	8,875
Average Daily Population - Jail	246	271	281	298
Average Daily Population - Huber Facility	224	226	236	253
HEALTH AND HUMAN SERVICES				
Economic Services/Support Program				
Unduplicated Cases (a)	*	4,277	4,221	4,499
Mental Health Center Days of Care	6,024	6,208	5,761	6,201
PARKS & LAND USE				
Daily Entrance Stickers	55,400	56,056	58,026	63,030
Annual Stickers	4,545	4,815	5,405	6,750
Annual Boat Launch Stickers	*	428	415	506
Daily Boat Launches	*	20,835	18,888	17,640
PUBLIC WORKS				
Building Operations:				
Electricity Consumption (Kilowatt-Hours)	12,455,394	12,307,710	12,354,567	12,093,828
Natural Gas Consumption (Therm)	806,546	773,353	594,774	646,887
Water Consumption (Gallons)	31,094,500	33,959,100	35,101,600	33,895,200
Transportation:				
Centerline Miles of Road Maintained				
County	385	385	385	385
State	241	241	241	241
Airport:				
Based Aircraft	179	187	191	202
Annual Operations (takeoffs & landings)	75,310	95,792	98,630	105,776

* Information not available

(a) Unduplicated counts are available only on a monthly basis. This represents the month of December

Source: Waukesha County Budget Division

WAUKESHA COUNTY, WISCONSIN

TABLE 15
MISCELLANEOUS OPERATING INDICATORS
LAST TEN FISCAL YEARS

2000	2001	2002	2003	2004	2005
8,709	8,738	8,499	9,337	10,869	9,310
306	307	337	329	291	333
269	252	264	266	266	269
5,189	5,758	6,752	8,009	8,901	9,505
6,030	7,315	7,127	8,055	6,527	7,211
64,000	75,960	76,234	67,897	65,282	75,391
6,100	5,835	5,839	5,643	7,311	7,685
500	455	454	486	495	486
17,500	16,237	15,783	15,795	16,223	15,266
12,188,096	12,040,686	12,074,318	11,372,118	11,847,394	14,719,569
652,000	599,220	646,256	589,673	577,855	540,278
37,308,400	37,706,400	36,533,900	29,857,500	35,977,200	38,186,300
385	385	387	390	390	398
241	241	241	245	245	250
215	225	225	225	225	225
95,519	105,635	102,891	101,418	98,804	91,024

WAUKESHA COUNTY, WISCONSIN

TABLE 16
CAPITAL ASSET STATISTICS BY FUNCTIONAL AREA
LAST TEN FISCAL YEARS

	1996	1997	1998	1999
JUSTICE AND PUBLIC SAFETY				
Correction Facility Capacities				
Huber Facility	326	326	326	326
County Jail	258	306	306	306
PARKS, ENVIRONMENT, EDUCATION, AND LAND USE				
Number of County Parks	6	6	6	7
Park Acreage:				
Developed	2,774	2,774	2,774	2,947
Undeveloped	2,966	3,241	3,241	3,504
County Golf Courses	3	3	3	3
Ice Arenas	2	2	2	2
Nature Center	1	1	1	1
Exposition Center	1	1	1	1
PUBLIC WORKS				
Centerline Miles of County Roads	385	385	385	385
Traffic Signals	28	34	38	43
Bridges	47	48	49	50
Active Vehicles in Vehicle Replacement Plan	*	*	361	363
Airport:				
Number of Runways	2	2	2	2

* Information not available.

WAUKESHA COUNTY, WISCONSIN

TABLE 16
CAPITAL ASSET STATISTICS BY FUNCTIONAL AREA
LAST TEN FISCAL YEARS

2000	2001	2002	2003	2004	2005
326	326	326	326	326	326
306	306	306	306	306	469
7	7	7	7	8	8
2,910	2,910	2,910	3,160	3,160	3,160
3,021	4,005	4,450	4,534	4,915	5,145
3	3	3	3	3	3
2	2	2	2	2	2
1	1	1	1	1	1
1	1	1	1	1	1
385	385	387	390	390	396
54	58	63	74	78	82
51	51	52	52	53	60
365	364	370	367	384	384
2	2	2	2	2	2

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